

روزنامه خراسان

THE WEATHER - PARIS: Tuesday, cloudy with rain. Temp. 50 (48-52). LONDON: Tuesday, cloudy. Temp. 51 (49-53). CHAMBERLAIN: Tuesday, cloudy. Temp. 52 (50-54). FRANKFURT: Tuesday, overcast. Temp. 51 (48-54). NEW YORK: Tuesday, cloudy. Temp. 64 (61-67).

Algeria	500 Drs.	Iran	125 Rls.	Nigeria	100 K.
Angola	20 Esc.	Israel	10 NIS	Peru	200 S.
Argentina	400 Ps.	Italy	200 L.	Portugal	200 Esc.
Australia	20 A\$.	Japan	100 Y.	Spain	200 Ptas.
Canada	1.00 Can.	Korea	100 W.	Sweden	100 Kr.
Chad	200 Fr.	Laos	200 K.	Switzerland	100 S.
Cuba	1.00 C.	Lebanon	100 L.	Taiwan	100 N.T.
Czechoslovakia	20 Kcs.	Luxembourg	20 Lf.	Thailand	100 B.
Dominican Republic	20 P.	Netherlands	20 G.	Turkey	100 Liras
France	100 F.	Belgium	20 B.	U.S.	1.00 D.
Germany	1.00 M.	Denmark	20 Kr.	West Germany	1.00 M.
Greece	200 Dr.	Finland	20 M.	Yugoslavia	100 D.
Hong Kong	100 H.K.	France	100 F.	Zaire	100 Z.
India	20 R.	West Germany	1.00 M.		

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Established 1887

## A-Weapon Report Finds Deficiencies In Safeguard Plan

By Judith Miller  
New York Times Service

WASHINGTON — A report to the Nuclear Regulatory Commission has concluded that the international system of safeguards intended to stop the diversion of uranium and plutonium from peaceful nuclear programs to atomic weapons has gross deficiencies.

The report, prepared by a former commission staff member and international inspector, concludes that the International Atomic Energy Agency, the Vienna-based organization that monitors nuclear material, is "incapable of detecting the diversion of a significant quantity" of nuclear fuel "in any state with a moderate to large nuclear energy establishment."

While the international agency's monitoring has increasingly come under attack by legislators and other critics, the 21-page report was described by an official as the first negative assessment of the entire safeguards system prepared for a U.S. government agency.

A State Department official who had not seen the report issued the following statement on Friday: "We recognize that the safeguards system is not perfect. However, international safeguards are essential for nonproliferation efforts, essential to continue nuclear commerce, and effective for most kinds of facilities. There is simply no alternative to the international safeguards regime. And we are working hard to improve that system."

Panels Get Study

Another State Department official described the report, which has not been made public, as the "work of one disgruntled former international inspector," and emphasized that it did not reflect the administration's views.

Nevertheless, the regulatory commission sent the report, accompanied by an 18-page staff



The Rev. Ian Paisley, left, with his Democratic Unionist colleagues, John McQuade and Peter Robinson, right, leaving the British Parliament after they were suspended by the speaker.

## 3 Ulster MPs Suspended In Uproar Over Killings

By Leonard Downie Jr.  
Washington Post Service

LONDON — Three Protestant Ulster Unionist politicians were suspended from the British Parliament Monday after they disrupted proceedings, vowed to bring local government in British-ruled Northern Ireland to a standstill and threatened to set up their own security force there.

The commotion was brought on by Saturday's assassination of a hard-line Unionist member of Parliament, the Rev. Robert Bradford, by Irish nationalist terrorists.

At the same time, police in Britain launched a round-the-clock search of hundreds of thousands of garages, businesses and abandoned homes for up to 500 pounds (227 kilograms) of explosives they believe have been hidden by terrorists of the Provisional wing of the Irish Republican Army responsible for four bombings in the last five weeks in the London area. The bombings have killed three persons, injured 40, and destroyed the suburban London home of Britain's attorney general while he was out of the country.

Police Leaves Canceled

The search in the London area alone, involving 16,000 police officers with all leaves canceled for the week it is expected to take, was described by officials as the biggest ever undertaken here.

Large quantities of explosives were found by police in hiding places here during IRA bombing campaigns in London in 1972 and 1976.

In Monday's extraordinary disruption of Parliament, three hard-line Unionist members of Parliament led by the Rev. Ian Paisley were ordered out of the House of Commons and suspended for the next five business days after they repeatedly interrupted government statements on Mr. Bradford's killing. They shouted accusations blaming Prime Minister Margaret Thatcher and her Northern Ireland secretary, James Prior, for the sharp rise in attacks by the Provisional IRA in Northern Ireland, where four more Protestants, including Mr. Bradford, were killed last week alone.

Mr. Paisley and two other members of Parliament from the Democratic Unionist Party in Belfast, Peter Robinson and John McQuade, sitting in a gallery overlooking the Commons chamber, shouted "rubbish" in response to Mr. Prior's call for calm in Northern Ireland. "You have given us nothing but the IRA — you are guilty of it," Mr. McQuade shouted at Mr. Prior, whom hard-line Protestant Unionists have accused with Mrs. Thatcher of giving Irish nationalist terrorists encouragement by improving British relations with the Republic of Ireland.

## Ruling Party Wins Easily In Bangladesh

By Granville Watts  
Reuters

DACCA, Bangladesh — Abdus Sattar of the ruling Bangladesh National Party, acting chief of state since President Ziaur Rahman was assassinated in May, won the presidential election Monday with a landslide majority.

Mr. Sattar, 75, a former Supreme Court justice, built up 12,029,237 votes against 4,521,725 for his nearest rival, Kamal Hossain of the Awami League, a former foreign minister. The final result was not expected until Monday night but Mr. Sattar claimed victory when he met foreign correspondents at the presidential palace.

"This victory is a victory of the great people of this country who are dedicated to the cause of democracy and peace," he said.

Mr. Sattar vowed to carry on the policies of the president and specified that there would be no change in foreign policy. Gen. Zia concentrated on rural development, but was accused by the opposition of virtual one-man rule. The general was killed in what is now being described as an army military.

"It is now clear that the people have overwhelmingly given their verdict in favor of the presidential system of government," Mr. Sattar said. "We will continue to play our part in the nonaligned movement, in the organization of Islamic countries and in the United Nations."

He denied allegations by the Awami League that the elections had been rigged. With such a gap between the vote totals there was no need for rigging, he said.

Mr. Sattar has been ill from time to time, and attention will be paid to his choice of vice president. One name frequently mentioned is that of the army chief of staff, Lt. Gen. H.M. Ershad, who played a key role in maintaining stability in the country after Gen. Zia's assassination.

The general, 47, has said he is not interested in being vice president but wants a role for the army in the running of this impoverished nation of 95 million people, in which there have been 18 attempted military coups in six years.

## Kremlin Reduces Some Spending; Shift of Funds to Military Is Seen

By Dusko Doder  
Washington Post Service

MOSCOW — President Leonid I. Brezhnev disclosed Monday that the Soviet government had reduced by \$3 billion rubles (\$42 billion) its planned expenditures on capital construction, presumably to divert the funds to military needs.

The decision was taken as the government adjusted its five-year economic plan, shaping it, as Mr. Brezhnev put it, under "uneasy conditions" due to the third poor grain harvest in a row and "the complication of the international situation."

The latter phrase suggested that the changes of priorities were to a large extent due to President Reagan's defense policies, particularly his plan to build U.S. strategic strength. The Soviet plan for 1981-85 had been worked out during the past year and apparently

## Union, Regime Both Are Divided On Sharing Power in Polish Front

By Brian Mooney  
Reuters

WARSAW — Six Solidarity negotiating teams arrived in Warsaw Monday for major talks with the government as arguments flared over how the Communists and the independent union movement could join together in a national front.

Solidarity's deputy leader in Warsaw said that discredited Communist officials must be barred from the front. He added that the way to genuinely representative government was through free elections, one of the issues expected to be raised at Tuesday's talks.

Official sources said that there were differences within the Communist Party over the exact make-up of what is being called a Front of National Accord and that local party chiefs had been instructed Sunday to sound their members on the issue.

The authorities want to draw Solidarity into the front to end 16 months of crisis, but the unresolved question is how much real power the government is willing to share. The sources said that the problem lay in reconciling demands for free elections with the constitutional principle of Communist Party supremacy.

Election Delay Seen

Local elections are due early next year, but the sources said that they may have to be postponed unless ways are found to ensure that the Communists are not voted out of office.

Interest in the free election issue is growing because the mandates of local councils expire in February. Solidarity's Silesian branch

## Columbia Received Less Damage Than on First Flight, NASA Says

By John Noble Wilford  
New York Times Service

EDWARDS AIR FORCE BASE, Calif. — After a preliminary inspection, space agency officials announced that the shuttle Columbia had "considerably less" visible wear and tear on its second flight than on its first.

They said that it should be ready for another trip in March.

Only 12 of the craft's 31,000 heat-protective tiles were known to

## Actor William Holden Found Dead at Home

United Press International

SANTA MONICA, Calif. — William Holden, 63, the motion picture actor who made a career of playing the quintessential American good-guy, was found dead Monday in his apartment here.

Mr. Holden, who won an Oscar in 1953 for his role in the film "Stalag 17" and who played leading men in more than 50 motion pictures, was found in his quarters by an apartment manager.

Mr. Holden apparently died of natural causes, said a police sergeant, and had apparently been dead "for some time, possibly two or three days."

Best-Actor Nominations

The Illinois-born actor was perhaps best known for his performances in the motion pictures "Sunset Boulevard" and "Network," for which he won best-actor nominations in 1950 and 1976, respectively, and in "Love Is a Many Splendored Thing" and "Picnic."

The actor had not been reported in poor health, although he was said by his butler to be not looking or feeling well when he left his permanent home in Palm Springs, Calif., last week. Last year there were reports Mr. Holden was going to West Germany to consult with a Dr. Hans Nieper, a cancer specialist. But Dr. Nieper said at the time that he did not believe Mr. Holden was seriously ill.

In Washington, President Reagan expressed his "shock" and "great sense of personal loss" over Mr. Holden's death. The actor had been the best man at Mr. Reagan's wedding to Nancy Davis.

Deputy press secretary Larry Speakes said Mr. Reagan had a close relationship with Mr. Holden. "I was shocked, of course," Mr. Speakes quoted the president as saying. "I have a great feeling of grief. Our friendship never waned."

Mr. Holden, whose real name was William Franklin Beedle, gained stardom playing the prizefighter in the 1939 movie, "Golden Boy."

In addition to his acting roles, he was a conservationist in Africa and Asia who founded the famed Mount Kenya Safari Club.

Mr. Holden was considered a Hollywood rebel in the 1940s and 1950s when the all-powerful stu-



William Holden

## French Communists Timidly Assess Electoral Failure

By Edward Cody  
Washington Post Service

PARIS — The French Communist Party, after a dramatic setback in last spring's presidential and parliamentary elections, has opened a timid public debate on what went wrong.

While the party is taking pains to avoid placing direct blame on the party leadership, Communist dissidents say the public debate represents the tip of a titanic iceberg of disappointment, much of it directed at the party leader, Georges Marchais, and his aides.

These dissidents hold Mr. Marchais' pro-Soviet leadership responsible for the disastrous electoral results. In allowing a little steam out to reduce pressure, Mr. Marchais and his team hope to contain the dissatisfaction among the faithful and prevent it from turning against their stewardship of party fortunes during stock-taking at the 24th party congress in February, the dissidents say.

And even though Mr. Marchais' opponents predict that probably will succeed in the tone of the coming congress will strongly affect party attitudes toward cooperation with President Francois Mitterrand's ruling Socialists and continued Communist participation in his government.

'Backs to the Wall'

"They have to get by the congress," said a party official critical of Mr. Marchais. "The leaders have their backs to the wall. If they really let the militants debate the defeat, the debate will necessarily be critical of their leadership in the last few years."

The rumbling in the ranks grows in part from significant electoral reverses, including Mr. Marchais' poor showing in the presidential election last May and a drop from 86 Communist deputies in the National Assembly to 43 after last June's legislative elections.

The showing, representing a loss of about one million traditional voters, marked the worst defeat since the party was founded 60 years ago. It reflected what one dissident called "a profound political crisis" during which the estimated membership has dropped to 500,000 from 700,000 several years ago, and the estimated circulation of the official party newspaper, L'Humanité, has sunk to less than 100,000 from about 140,000.

Confusing Policy

In addition, Communist sources say, militants have been confused by a party stand holding that it was impossible to work out a common platform with the Socialists during the election campaign, but that it is good politics for the four Communist ministers to join in applying the Socialist platform.

"The coherence [of party policy] is being questioned," said the dissident party official. "This is not policy. They cannot make a policy because there is a big argument going on inside the party."

Against this background, the party published a long draft resolution for February's congress. It explains the setback at the polls as the result of "strategic laziness" in marrying party doctrine with modern times. But the resolution, which Mr. Marchais describes as the basis of a "big debate," steers carefully away from major decisions since Mr. Marchais took over in December, 1972.

Chief among them — and, according to dissidents, a prime reason for last spring's defeat — was the break with Mr. Mitterrand's Socialist Party during his campaign for 1978 legislative elections. Before the break, opinion polls had given the "union of the left," which included Communists, Socialists and a small center-left party, a good chance of winning a parliamentary majority. As it turned out, forces loyal to Valéry Giscard d'Estaing, then the president, stayed in power with a comfortable edge.

Since then, Mr. Mitterrand gained strength largely by increasing his support among civil servants, young executives and others who had refused to accept his party while it was allied with the Communists. The Communists, as rivals to the left of the Socialists, had little chance of winning those votes, and in fact ended up losing about a fourth of their own traditional electorate to Mr. Mitterrand's bandwagon.

"With its 24th congress, [the French Communist Party] has the will to look clearly at the reasons for its setback, ... to point out all the consequences and all the implications of its last two congresses and to deepen reflection on the political practices that will permit them to be put to work," the draft resolution says in an introduction.

The document blames historical errors rather than Mr. Marchais' tactics, however, citing slowness by the leadership of Maurice Thorez and Waldeck Rochet, Mr. Marchais' predecessors, in jettisoning doctrine such as dictatorship of the proletariat after it was out of step with the times in France.

"When we look back on the last quarter-century, we must agree that our party waited too long to commit itself to exploration of ways to reach Socialism, and even of forms of Socialism, that are appropriate for the France of today," the draft resolution says.

Newspaper Forum

Since the resolution was published, L'Humanité has begun a regular "discussion forum," printing contributions from Communist militants on the resolution and adding their own explanations for the reversals. Most adhere carefully to the resolution, reaching back into history and avoiding Mr. Marchais' break with Mr. Mitterrand.

Georges Pincon, a militant from the Paris suburbs, wrote, however, that the resolution skipped too lightly over party strategy of the last several years.

"While it is always useful to analyze what happened in the last decades ... it seems to me at least necessary to analyze profoundly what happened in a more recent period," he wrote. Mr. Pincon took care, however, to avoid mentioning Mr. Marchais or his break with Mr. Mitterrand. Despite what he called "fundamental disapproval," he also avoided citing Mr. Marchais' expulsion of a group of Communists who opposed the break.

"In simple terms," said the independent leftist newspaper Liberation, "if they do not want their prose to land in the waste-paper basket, Communist militants must carefully stay away from two taboo subjects: the leadership's policies since the break-up of the leftist union and the internal strains caused by exclusion of [the dissidents]."

(Continued on Page 2, Col. 3)



# Reagan Backing Allen During Investigation

By Steven R. Weisman  
New York Times Service

WASHINGTON — The White House has no plans to ask Richard V. Allen, President Reagan's national security adviser, to step down during the investigation into his taking of \$1,000 from a Japanese magazine, but its position could change if a special prosecutor is appointed, administration officials say.

Under the Ethics in Government Act of 1978, the attorney general must appoint a special prosecutor unless all allegations are found to be completely baseless.

Until completion of the Justice Department investigation, a preliminary inquiry aimed at determining whether there should be a special prosecutor, White House officials are declining public comment on the details. Sources familiar with the investigation said it was nearly completed.

In Tokyo, the editor of the magazine said Monday he had decided to give \$1,000 as an "expression of gratitude" for the interview with Nancy Reagan. United Press International reported. The payments are customary with Japanese magazines.

[Tsugio Takamori, executive editor of Shufunotomo (The Housewife's Companion), said he had not expected the money to still be in Mr. Allen's possession eight months after the Jan. 21 interview.

"Clearly I was surprised when I learned last week that the money was still with Mr. Allen," Mr. Takamori said in an interview. He said money was given "as an expression of gratitude" for the interview and that he expected it to go to charity.

### Position May Change

Administration officials said Sunday that Mr. Reagan would continue to support Mr. Allen in public statements but cautioned that his support was based on what was now known. Mr. Reagan's statement was something less than a full declaration of support, but it was deemed appropriate by his advisers because of the delicate nature of the investigation, officials said.

It was learned Sunday that Fred F. Fielding, the White House counsel, had talked to Attorney General William French Smith about the status of the Allen case. But an administration official said he had not discussed the substance of the case.

Mr. Allen said Sunday he regarded the matter as overblown, but he declined to answer questions about various aspects of it.

The investigation is into the circumstances relating to Mr. Allen's receipt of the money. Mr. Allen said the cash was not a bribe but an "honorarium" not intended for him. He said he put the cash in a safe in his office and forgot about it after he moved out of that office.

After the cash was discovered in mid-September by a secretary on Mr. Allen's staff, the White House said, the FBI was called in. The bureau requested the cooperation of Japanese authorities, and the investigation was disclosed last week in Japan.

### Allen Denial

Mr. Allen has denied any suggestion that he solicited the cash payment at any time. He said he received the "initial request" for the interview from the wife of a friend and that he did not arrange the interview but forwarded the request to others.

Sources close to the Justice Department investigation said no one has specifically alleged that Mr. Allen took a bribe and that interviews conducted in Japan and Washington corroborated his account.

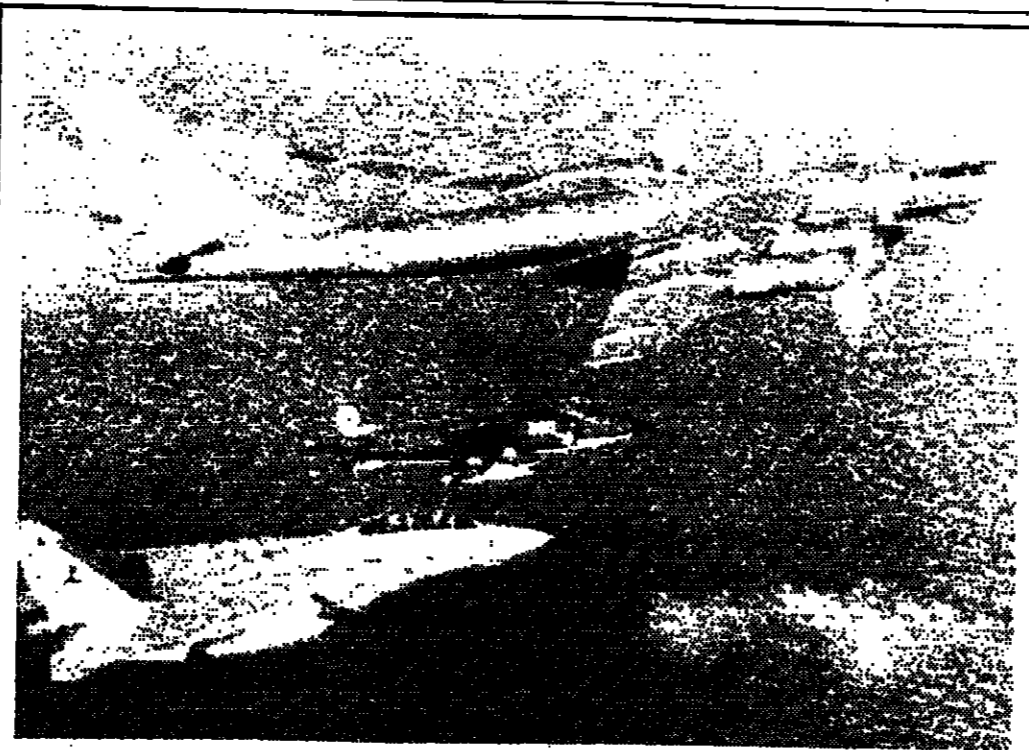
But Mr. Allen's position as security adviser was said by administration officials to be potentially jeopardized by the investigation if there was widespread criticism of his behavior in Congress or by the public.

Reagan aides supported Mr. Allen in the past when it was reported that he was involved in financial irregularities. An official involved in the presidential campaign last year said Edwin Mesele, the White House counselor, was the staff member most reluctant to permit Mr. Allen to resign after The Wall Street Journal reported that Mr. Allen had used a position in the Nixon administration to benefit financially.

Mr. Allen took a leave of absence from the campaign after the Journal article appeared but rejoined the Reagan staff after the election.

### Meeting Forgotten

WASHINGTON — The White House says Mrs. Reagan does not recall meeting the Japanese journalists who passed along \$1,000 to Mr. Allen for an interview. Mrs. Reagan said through a White House official that she knew "absolutely nothing" about the payment. The official, Sheila Tate, said Mrs. Reagan "doesn't even remember meeting them."



**DRY RUN IN THE SKY** — British Sea Harriers, center, and U.S. Navy F-14 Tomcats, below, scramble to intercept Soviet reconnaissance planes, such as the Tu-95 Bear, off the U.S. East Coast during Ocean Venture '81, the largest allied war games since World War II. The U.S. Navy was delighted with the intense Soviet interest in the games. "We were able to capitalize on their contribution," Vice Adm. James Lyons Jr. said of the Soviet surveillance.

# New York, Hub for International Politics And Business, Attracts Its Share of Spies

By Leslie Maitland  
New York Times Service

NEW YORK — From the Soviet residence in the Riverdale section of the Bronx, where rooftop equipment permits surveillance of telephones throughout the Northeast, to Russian emigre communities in Brooklyn, where the FBI fears that "sleeper" Soviet agents live in disguise, U.S. and Russian agents are fighting each other for information.

Largely because New York City is the home of the United Nations and its many delegates, but also because of its pre-eminence as a business capital in an age when manufacturing advances represent the secrets many foreign governments are most eager to share in, the city is the focus of international espionage efforts.

According to the FBI, for example, even its own telephones are subject to eavesdropping by Soviet agents. For sensitive communication, agents use a separate, special scrambler phone that requires a different code each day from the National Security Agency in Maryland.

Understandably, perhaps, espionage is a subject that bureau

officials have not discussed often in public. In addition to security reasons for keeping silent, they are subject to criticism both for laxity and for overzealousness. But in a recent series of interviews, the FBI's foreign-counterintelligence experts in New York described some of their methods of operation — their efforts to stymie espionage by other countries and the importance of New York City as a spying center.

While FBI accounts of intelligence activities cannot be substantiated in most respects because of their secret nature, the agency's descriptions offer a revealing look at what it says are its activities in intelligence-gathering.

According to Donald J. McGorty, the special agent in charge of the bureau's Sino-Satellite foreign-counterintelligence section which focuses on every country but the Soviet Union — New York is actually the "largest base for foreign intelligence-gathering."

"New York is the hub," he said. "There are many more diplomats here than anywhere else — even Washington. Even countries with whom we do not have diplomatic relations and who have no embassies have missions at the United Nations. And anywhere these people have establishments, there's an opportunity for espionage."

**3d-Country Recruitment**  
Not all the spying in the city, however, is actually directed at the United States, Mr. McGorty said. Some of it constitutes "third-country recruitment" — the development of a Libyan spy, for example, by Soviet agents here. The United Nations makes the city a prime location for such enlistment.

Agents in the Sino-Satellite section devote most of their attention to representatives of 20 so-called "criteria countries," designated as top priorities. Under guidelines from the attorney general, Mr. McGorty said, the bureau needs no specific information or suspicious move to touch off an investigation of a criteria country's actions, but it must be able to present "specific and articulable facts" to support arguments for inquiries into noncriteria countries.

He declined to name all the target countries, but said they included Libya and the Communist-bloc countries as well as the Palestine Liberation Organization. He added that more than 2,000 officials of criteria countries either worked or lived in New York City.

R. Jean Gray, the special agent in charge of Soviet counterintelligence, said that among more than 600 people the Russians have working in New York, 110 have diplomatic immunity, which extends to their spouses.

"About 35 percent of the people with immunity are suspected to be officers of Soviet intelligence services," Mr. Gray said. "Experience has indicated that among the remainder, a significant percentage are also members of Soviet intelligence services but are co-opted to carry out tasks for those services from time to time."

By contrast, the bureau has more than 300 agents assigned to foreign counterintelligence in New York, many less than it had at the height of the Cold War. With détente, the ranks were reduced, but in the last five or six years, chilling trends led to the adding of personnel.

Mr. McGorty and Mr. Gray say the bureau's espionage mandate is not primarily to gather information, but to detect and prevent spying by foreign agents. This obviously requires identifying spies in the city's foreign population, which calls for delicate judgments

as to whether someone is acting outside the scope of his stated diplomatic functions.

"We have to find out who the players are before they play ball," Mr. McGorty said. The easiest way to accomplish that, he added, is to "get one of them to work for us so we'll know what they're up to." The prime recruits are intelligence agents from target countries, but the job of enlisting them is not easy.

An initial approach, Mr. McGorty said, is generally disguised as simple friendliness. Bureau agents (who are not allowed to operate outside the United States and cannot enter the gates of the United Nations) pose as lawyers or accountants while hobnobbing in the bars and restaurants frequented by representatives of other countries. Overtures are gradual, while agents work at cultivating confidence.

### Evaluating Employees

Making contact with Soviet targets has become particularly difficult since the opening of their residential complex in the Riverdale section of the Bronx, Mr. Gray said, because the Soviet employees also travel to work together and dine together.

Besides having to evaluate whether Soviet employees are really serving a legal function in New York, the bureau has also faced a problem in discerning whether spies are being slipping in among the 400 Soviet emigrés who arrive in the country each month.

The bureau has been attempting to develop a profile of the sort of person who may be only masquerading as a refugee.

But in some cases, Mr. Gray said, the spy may not be posing as a refugee, but actually be an emigré unwillingly pressed into service as a Soviet agent — threatened, for example, with reprisals against family members still in the Soviet Union.

Ideally, bureau officials said, reluctant Soviet spies can be used as double agents to funnel misinformation. But this can be tricky, for the bureau may be deceived into believing that it has a double agent working for the United States. When the spy is really a triple agent — a Soviet agent really working for the Soviets while pretending to the FBI to have switched his loyalty.

# Red Cross Resumes Cambodia Flights

BANGKOK — Relief flights into Cambodia, grounded for two weeks by a dispute over new airport charges, have resumed after Phnom Penh authorities withdrew their demands, relief agency sources said here Monday.

A chartered plane of the International Committee of the Red Cross flew from Bangkok to Phnom Penh Saturday, after the Cambodian Foreign Ministry apparently overruled the Defense Ministry and ordered that relief flights would not have to pay fees, the sources said.

"Another ICRC flight went into Phnom Penh today," the sources said. "It seems the matter is settled." Negotiations between relief officials in Phnom Penh and the Hanot-backed government there had been going on since the changes were first imposed on an international Red Cross plane in October, the sources said. The Red Cross had refused to pay the fee, the amount of which was not disclosed.

# Japan to Shift Cabinet Over Trade Disputes

From Agency Dispatches

TOKYO — Premier Zenko Suzuki said Monday that he would reshuffle his Cabinet soon to help resolve Japan's persistent trade disputes with other nations.

"I will present a new lineup capable of producing concrete measures to handle economy, commerce and trade," he said in an interview with the Japan Broadcasting Corp. Mr. Suzuki, 70, said that the Cabinet reshuffle, his first since taking office in mid-1980, would probably take place Nov. 30.

Reflecting concern here that Japan's trade surplus in the financial year ending in March may reach a record \$23 billion, Mr. Suzuki said that he would work for balanced and free world trade by increasing Japanese imports rather than restricting exports.

### Lower Barriers

Much of Mr. Suzuki's time in office has been dominated by pressure from the United States and Western Europe to reduce Japan's flood of exports and rectify big trade imbalances. The premier, however, emphasized in the interview that other advanced nations should redouble efforts to analyze and study the Japanese market and economic structure before they criticized Japan's overall trade.

He said Tuesday's scheduled meeting of Cabinet economic ministers would still be held despite the pending reshuffle, and added: "We will discuss how we can lower Japan's trade barriers against other countries, if there are any."

A major measure for discussion at the meeting is emergency imports worth about \$3 billion, especially of aircraft and rare and strategic metals. Government sources said that the Finance Ministry opposes emergency imports. It wants an export surcharge system that would penalize industries with overseas shipments above the national average.

The emergency import plan is backed by the International Trade and Industry Ministry, while the Foreign Ministry sees problems with both the import and export plans, the sources said.

The premier said in the interview that, as far as he is aware, Japan has not indulged in any unfair practices to bar foreign goods from its domestic market.

"We have never consciously kept foreign products out," Mr. Suzuki said in the interview. "Other countries should study the Japanese market before criticizing

us, and I hope that they will try to increase their exports."

The premier said that his government will continue trying to avoid sending too many exports to certain areas.

"If a particular item of our products finds its way to a particular region like torrential rain, it may put the economy of that region in disorder. We must be keenly aware of it," he said.

Chief Cabinet secretary Kiichi Miyazawa later said that Tuesday's meeting of Cabinet economic ministers will not result in the adoption of full-scale measures to avert trade friction with the United States and Western Europe. Mr. Miyazawa, however, said that the meeting may adopt some measures.

Meanwhile, Foreign Ministry officials said that U.S.-Japanese trade talks will take place here early next month.

### Kuwait Hangings Reported

KUWAIT — Two citizens of Thailand were hanged Monday following conviction on charges of murdering a money changer, police sources said. Two other Thai citizens were given life sentences, the sources said. All four were arrested in August of last year.

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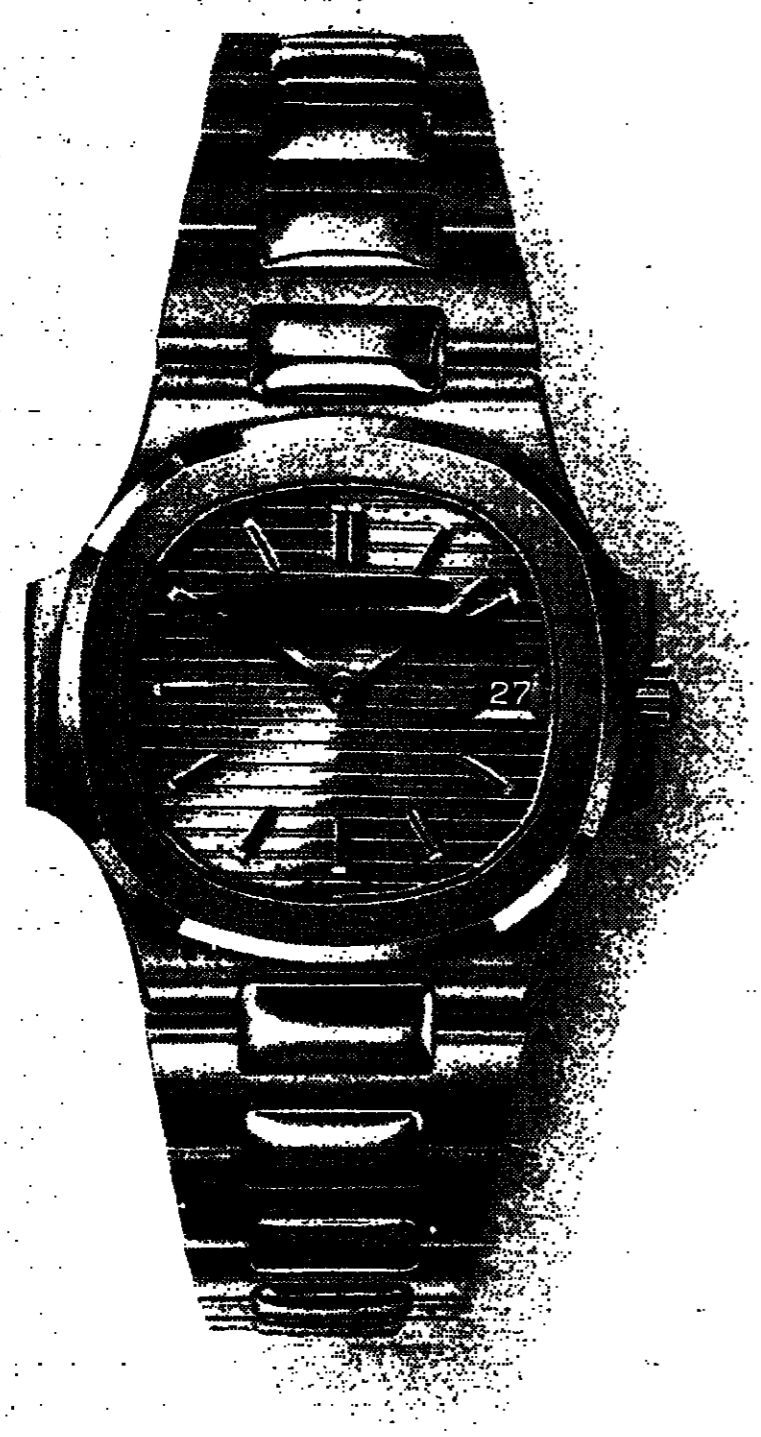
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# Managua's Ex-Envoy to U.S.: A Loyal Dissident

By Christopher Dickey  
Washington Post Service

MANAGUA — Arturo José Cruz, a key political figure who resigned Saturday as ambassador to the United States, typifies the many Nicaraguans who are critical of the Sandinista revolutionary government but feel they must support it in the face of the increasingly hostile attitude of the Reagan administration.

"It is obvious I am not happy," Mr. Cruz said Sunday before leaving for Washington where he will hand over the embassy to his successor, whose name has not been announced. "We have come to the point at which every key position in the government should be held by a Sandinista."

Mr. Cruz, 58, and a member of the Democratic Conservative Party, described himself as "loyal to the revolution, but after all a dissident."

His resignation also can be seen as another in a long series of disputes between the Sandinistas and the politically powerful business community of professionals and businessmen they need to rebuild the country's shattered economy.

Former Member of Junta

Mr. Cruz, who opposed the dictatorship of Anastasio Somoza from exile in Washington, returned to Nicaragua after the Sandinista victory, first as president of the Central Bank and then as a member of the ruling junta. Disillusioned and drained, he left the junta in March to become ambassador temporarily in an attempt to improve the already tense relations between Managua and Washington.

He has told friends in recent weeks that he has been frustrated both by the critical attitude toward Nicaragua expressed by U.S. officials and the Sandinista government's crackdown on dissent.

At a press conference Saturday and a related interview Sunday morning, Mr. Cruz made it clear that while he disagrees with much Sandinista policy, he will do everything in his power to support this government rather than see it fall because of U.S. pressure or violent internal opposition.

In recent months the Sandinistas cracked down on dissent from every quarter, shutting an opposition newspaper for days at a time.

## Yugoslav Presidency Gets a New Member

BELGRADE — Radovan Vlahovic was elected Monday to represent the northern autonomous province of Vojvodina in the nine-man Yugoslav collective state presidency.

Mr. Vlahovic, 59, replaces Stevan Doronjski, who died of cancer in August. The presidency is composed of one representative from each of Yugoslavia's six constituent republics and two autonomous provinces and the president of the ruling Communist Party.

tacitly condoning mob violence against the home of an opposition leader and, on Oct. 21, arresting four leaders of the Superior Council of Private Enterprise for their denunciation of the government's Marxist leanings and inflammatory rhetoric. Several members of the small Communist Party, which issued a statement criticizing the government, also were jailed.

Friend in Jail

Three of the four arrested business leaders were convicted of making statements damaging to the country's economy and sentenced to seven months in jail. One of them, Enrique Dreyfus, is a friend of Mr. Cruz.

"It is obvious that I am not happy to see Enrique Dreyfus in prison, or for that matter, the other gentleman, the Communist," Mr. Cruz said.

But he said that national unity was vital because of the threats — economic, political and military —

to the country as a whole. He is not alone.

Even La Prensa, the opposition newspaper temporarily closed five times by the government, on Sunday denounced the U.S. secretary of state, Alexander M. Haig Jr. for his "interfering and threatening attitude" toward Nicaragua. The remark was in an editorial entitled, "We Nicaraguans Will Solve the Problems of Nicaraguans."

To meet the threat seen here from Washington as well as from increasingly hostile neighbors such as Honduras, Guatemala and El Salvador, many non-Sandinista political leaders support a major restructuring of the government that would, at least temporarily, give the leftists an even stronger hand.

Rafael Córdoba, the only non-Sandinista on the three-man junta, went so far as to say that in Nicaragua, "we need a dictatorship."

The Sandinistas have maintained a collegial administration

for more than two years through their nine-member National Directorate, to which the junta is subordinate. Conflicts within the directorate have led to considerable vacillation and inconsistency.

As one opposition figure said privately, "The greatest concern of my friends on both sides is that leaders of the government feel their authority is not taken seriously. They [the Sandinistas] feel their own rank and file might even challenge them in due course."

If the Sandinistas felt more secure, such people argue, they would not be inclined to such rash actions as the arrest of opposition figures and the closings of La Prensa.

A senior Nicaraguan official said that the Sandinistas want to release the jailed businessmen, but that the Sandinistas are "extremely fearful this might be interpreted as weakness and to avoid this they are willing to go to almost any lengths."

## Philippine Volcanoes Steeped in Legends Are Being Harnessed for Thermal Energy

MANILA — Guarding the southern flank of this vast metropolis are two graceful, green-clad mountains wreathed with white smoke, emissions from a potent reservoir of volcanic steam.

The white wreaths of Mount Makiling and Mount Banahao are associated by older people living on the slopes with a legendary white-gowned maiden named Maria, who was forced to renounce her farm-boy lover and retreated into the wilderness, never to return. Before she vanished, she gave her lover pieces of ginger that later turned into nuggets of gold.

Now that the steam of the mountains is rapidly being harnessed into geothermal power, people say the legend might be coming true. The nymph might indeed have left nuggets of gold for those who will benefit from the electricity as well as for the Philippine National Power Corp. and Union Oil of California, the joint developers.

Other Projects

The geothermal field, known as Mak-Ban, a contraction of the names of the mountains, is supporting a 220-megawatt power plant that has been operating for the last year. Another field and plant for an additional 110 megawatts is scheduled for operation in 1983.

"We are expanding Mak-Ban, along with four other geothermal sites already surveyed," Gabriel Itchon, president of National Power Corporation, said. "By 1985 we aspire to be the world's top producer of this type of energy."

The corporation's partner in developing Mak-Ban and a field farther south on Luzon Island near the town of Tiwi is Philippine Geothermal Inc., a wholly owned subsidiary of Union Oil of Califor-

nia. Like Mak-Ban, Tiwi has a 220-megawatt plant operating and a 110-megawatt plant under development.

Union Oil pioneered in geothermal development here, drilling its first well in the Tiwi area in 1972 under service contracts with the Philippine government. Its chairman, Fred L. Hartley, said at an energy conference in Manila recently that the company's experience in the Philippines had been "a big success story." He strongly recommended early development of this type of energy in the ring of countries around the Pacific making up the "fire belt," so called because of its volcanic activity.

The New Zealand company of Kingston-Reynolds more recently entered the scene as a partner in

developing sites on Negros and Leyte Islands in the central Philippines. Nearly 900 megawatts of geothermal power are planned for these fields by 1985. Together with two 110-megawatt plants to be developed in Benguet and Davao provinces, total capacity by 1985 is estimated to be 1,726 megawatts, or more than 18 percent of the country's power needs.

The Philippine government is trying to persuade major industrial ventures like a copper smelter and an aluminum smelter to use the electricity to be generated from geothermal power. Mak-Ban will also serve part of the requirements of Manila and its suburb of Los Baños, which was named "the Baths" by the Spanish colonizers because of the steaming springs there.

## Hinckley Attempts to Hang Himself

WASHINGTON — John W. Hinckley Jr., the 26-year-old drifter accused of attempting to assassinate President Reagan on March 30, has tried to hang himself in his cell at Fort Meade, Md., the Justice Department said.

A malfunctioning lock on the door to Mr. Hinckley's cell almost thwarted the rescue Sunday, according to Thomas P. DeCair, chief spokesman for the Justice Department. He said that marshals, who had witnessed the attempt from the start, ran into an exercise yard adjacent to the ground floor cell and reached through the bars of the window to "cut him down."

Mr. DeCair said Mr. Hinckley was semi-conscious when rescued, but was not seriously injured. He was taken to the Army base's hospital for observation overnight. Mr. DeCair said Mr. Hinckley

had wrapped a jacket around his neck and had tied it to a bar in the cell window about 4:55 p.m. The marshals found him hanging with his feet off the ground.

Mr. Hinckley has been under 24-hour surveillance since attempting to injure himself in May with an overdose of Tylenol, a drug similar to aspirin.

## Test Trident Destroyed Seconds After Launch

CAPE CANAVERAL, Fla. — A Trident missile that veered off course 55 seconds after a launch from a submarine had to be destroyed during a weekend test near Florida, Air Force officials say.

The Trident, which was not equipped with nuclear warheads, was launched Saturday 60 miles (95 kilometers) from Cape Canaveral.



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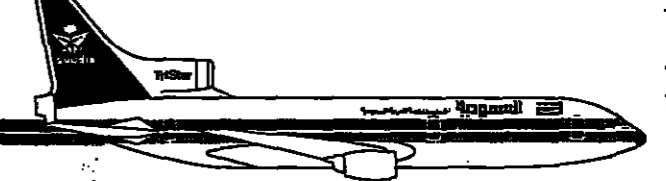
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# Gerhard Marcks, Sculptor, Bauhaus Student, Dies at 92

COLOGNE — Gerhard Marcks, 92, a sculptor with the pioneer Bauhaus school of design in the 1920s, died Friday after a stroke. Born in Berlin in 1889, Mr. Marcks was a pupil of Richard Scheibe. He joined Walter Gropius at the Bauhaus in 1919 and taught

and fought crocodiles and panthers in Thomas Ince's "Aloha Oe," in which she wore the first Hollywood sarong. On the Broadway stage, she performed with Dorothy Gish in "Morning's at Seven," with Helen Hayes in "Mrs. McThing" and "Happy Birthday," with Shirley Booth in "After Such Pleasures," with Eartha Kitt in "Mrs. Patterson" and with Eva Le Gallienne in "The Southwest Corner."

### OBITUARIES

sculpture at the art school of Halle before the Nazis banned his work in 1933.

Mr. Marcks completed a series of 11 woodcuts and a life-size statue of Prometheus just days before suffering his fatal stroke.

A Bremen museum named after Mr. Marcks has about 350 of his sculptures and 5,000 of his drawings. His renowned "Stadtmusikanten" (Town Musicians) stands in one of the city's public squares.

### Enid Markey

NEW YORK (NYT) — Enid Markey, 91, the actress who created the role of Jane in the first Tarzan movie in 1918, died Sunday following a heart attack.

Miss Markey's career spanned more than 60 years. She swung through the trees as mate to Elmo Lincoln in "Tarzan of the Apes,"



Gerhard Marcks

### Charles C. Parlin

NEW YORK (NYT) — Charles C. Parlin, 83, a former senior partner in the law firm of Shearman & Sterling and a past president of the World Council of Churches and the World Methodist Council, died here Sunday after a brief illness.

### Ayatollah Hossein Tabatabai

LONDON — Ayatollah Mohammad Hossein Tabatabai, 79, an Iranian Shiite philosopher and theologian, died Sunday of a lung infection in Qom, Iran, Pars news agency reported.

Ayatollah Tabatabai had taught at the divinity college of Qom where most of the present Iranian

politicians, including Ayatollah Ruhollah Khomeini, taught and studied. Ayatollah Tabatabai had played no political role, but the Iranian government declared a day of national mourning Monday for his funeral.

### Marquise de Casa Riera

MADRID (AP) — Dona Blanca de Mera y Aragon, 90, marquise of Casa Riera and mother of Queen Fabiola of Belgium, died Monday.

# Fetus Surgery Out of Womb Performed by U.S. Doctors

SAN FRANCISCO — A team of doctors at the University of California Medical Center performed major surgery on a human fetus outside its mother's womb and then returned it to the womb, where it survived to full term, doctors have disclosed.

The operation was performed between four and five months ago on an unidentified woman in San Francisco by Drs. Michael Harrison, Mitchell S. Golbus and Roy A. Filly. It took place in the 21st week of the pregnancy, which continued to term after the fetus was replaced.

The baby, however, died after birth of undeveloped lungs. The complication was not directly related to the operation, which corrected a severe urinary tract blockage that would have killed the fetus early in the pregnancy.

A hospital spokesman said that doctors have been instructed not to talk to reporters before the official surgical report is published in an unnamed medical journal.

The spokesman confirmed that the surgery had taken place but refused further comment. He said that hospital officials were concerned that the report might not be published in an accredited journal because "unauthorized sources" had leaked it to the press.

The same doctors performed a successful fetal surgery April 29, inserting a needle through a woman's abdomen into the bladder of her unborn baby to correct a blockage of the lower urinary tract.

### Possible Ramifications

Earlier attempts at operating on a fetus to correct defects have been unsuccessful because of the threat of miscarriage. Surgery stimulates the uterus to go into labor, and the fetus is pushed out.

New drugs and ultrasound techniques to view the fetus and prevent contractions enabled the recent successful operation. The procedure was hailed as a way to curb

birth defects, mental retardation and death among newborn infants.

The surgery was performed because of fears that the failure of the fetus to pass urine into the mother's womb would cause the uterine wall to squeeze down on the fetus, hampering its development, according to a "medical source" familiar with the operation who was quoted by the San Francisco Examiner.

Doctors believed that distention of the upper urinary tract was so great that providing drainage only from the bladder might not have adequately decompressed the urinary tract, the source said.

The procedure, which took one and a half hours, necessitated cutting into the mother's uterine wall and withdrawing the lower half of the fetus, the source said. Incisions to allow drainage were made in the flanks of the fetus and in the uterus.

The fetus was returned to the womb after being outside it for about 30 minutes, the source said.

# U.S. Aide Meets With Thai Leader

BANGKOK — U.S. Undersecretary of State Walter J. Stoessel Jr. held talks Monday with Thai leaders on the continued Vietnamese presence in Cambodia, the refugee problem and other Indochina issues.

Mr. Stoessel met with Premier Prem Tinsulanonda and other senior Thai officials. He was briefed on efforts by the three main Cambodian resistance groups to form a coalition. The groups met during the weekend to discuss political principles.

Mr. Stoessel, who is here as part of a two-week Asian tour, is to visit a Cambodian refugee holding center near the Thai-Cambodian border Tuesday. Washington has announced that it will accept 100,000 refugees from the region next year, compared with 168,000 this year.

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# Refugees and Remnants of Amin's Army Keep Uganda and Neighbors in Turmoil

### By Leon Dash

KINSHASA, Zaire — Idi Amin has been in exile for more than two years, but the aftereffects of the Ugandan leader's rise and fall have left areas of three nations — Uganda, Zaire and Sudan — in turmoil. Thousands of soldiers of his defeated army roam the vast forests where the three countries converge. The guerrillas ambush security forces and terrorize the local population and the hundreds of thousands of refugees who fled Uganda during and after Marshal Amin's repressive rule.

Religious, tribal and political enmities among the refugees, as well as food shortages and disease, make matters worse. The governments of Sudan and Zaire, which with apprehension as the refugees continue to flood their countries.

Between April, 1979, when Marshal Amin was ousted, and the end of September of this year, 140,000 Ugandan refugees arrived in the region around the Zairian border town of Aru, according to officials of the Office of the United Nations High Commissioner for Refugees. More than 45,000 of those have arrived since June, when attacks on civilians in Uganda's northwest region increased.

### Huge Migration

A total of 632,800 refugees are now believed to be in Zaire, including refugees from past upheavals in Rwanda, Burundi and Angola. At least 250,000 more Ugandans have fled into southern Sudan, a country that is already inundated in the north with about as many refugees from the Eritrean region of Ethiopia.

The majority of the Ugandan refugees fled the anarchy of the West Nile district, home of Marshal Amin, who belongs to the Kakwa ethnic group. Thousands of Kakwa and their neighbors, the Lugbara and Madi, regardless of their feelings for Marshal Amin, have fled to the regions of their kindred neighbors in eastern Zaire and southern Sudan.

The three ethnic groups straddle the borders of all three countries. Marshal Amin's army and his Libyan allies were defeated by Tanzanian soldiers leading a column of Ugandan exiles called the National Liberation Army. That same Liberation Army,

swollen with hastily recruited and unpaid soldiers, is the force that has exacted a bloody vengeance on the people of West Nile district. According to refugee officials here and diplomats in Kinshasa, wide areas of the West Nile have been virtually depopulated. Aru, just inside Uganda, has been completely destroyed, they said.

### A Lucky One

Newton Osoa acknowledges that he is one of the lucky ones. The memories of rape, murder and mayhem that cause his large frame to shudder do not touch any member of his family, all of whom he managed to flee Uganda one night in mid-June while soldiers rampaged through his hometown of Aru.

"They were shooting all the men and boys and setting fire to the buildings," Mr. Osoa said. "The women and girls, groups of soldiers were raping them until they were in very, very bad condition and then shot them."

Slipping out of Aru, Mr. Osoa said he ran to his farm, gathered his eight children, two wives, 20 cows and 15 goats and crossed the border that night to the town of Aru, 12 miles inside Zaire.

Fighting between Ugandan troops and guerrillas has spilled into the region around Aru. Ugandan troops, who claim the guerrillas hide among the refugees and then stage forays into Uganda, have crossed the border in pursuit several times.

The Zairian troops patrolling the border area, where the refugees have to fend for themselves and food and medical supplies are scarce.

Gerard Muller, one of two physicians from the international Doctors Without Frontiers organization, said that measles and whooping cough among the children and tuberculosis among the adults "has reached serious levels of contagion."

Since the most recent disturbances in western Uganda began in June, severe malnutrition "has become a general phenomenon" among the newly arriving refugees, he said.

the border seem to be unable to stop the attacks.

Tension near the border is further heightened by a blood feud involving two Zairian tribes in the region, the Walendu and Bahemia, adding to fears of a general conflagration.

The situation is not expected to improve as long as refugees remain massed in the border area. They prefer to stay close to the border in order to slip across to their Ugandan farms at night and collect produce.

But since President Milton Obote of Uganda visited his Zairian counterpart, Mobutu Sese Seko, in Kinshasa in April to discuss the instability, Zairian gendarmes have been driving the refugees toward four interior refugee camps established by the UN refugee office this year.

But the camps were overcrowded with 33,000 refugees by the end of September, and the refugees keep pouring across the border.

Aid officials said that the refugees sort themselves out by tribe and religion, most being Moslem, in deciding to which of the four camps they will go.

### Fighting in Camps

But fighting has broken out several times in the camps between refugees identified with Marshal Amin's rule and those who were opposed to the dictator. The refugees who opposed Marshal Amin feel they have been persecuted and resent his supporters, who were among the first to flee here in 1979.

"Yes, we're concerned because it presents a security problem here," a refugee official said. "The problems of Uganda have just been brought here with the refugees."

Diseases have broken out in the border areas, where the refugees have to fend for themselves and food and medical supplies are scarce.

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# CIA Officer Appointed To U.S. Taiwan Office

WASHINGTON — James R. Lilley, a career intelligence officer with the CIA, has been appointed director of the Taipei office of the American Institute in Taiwan, it has been announced.

Mr. Lilley previously was the CIA's national intelligence officer for China, and since February has been policy coordinator and China adviser to the National Security Council. After President Jimmy Carter broke diplomatic relations with Taiwan in January, 1979, the United States established the American Institute as the vehicle for dealings with the island government.

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Tests for Edibility of Mushrooms Can Be Hazardous

A HARDY annual of journalism is the autumn story on the death toll wreaked on amateur mushroom hunters by perfidious fungi. However, one Italian authority says there are only eight mushrooms capable of causing death, while a French authority reduces this number to five. Neither is a very high proportion of the number of species eaten throughout the world—about 2,000.

onion among mushrooms, the onion will turn of a bluish black when there is a bad one among them. Of course, the whole should then be thrown into the fire. If in stirring mushrooms, the color of the silver spoon is changed, it is also most prudent to destroy them all."

Folkloric Advice
These conscientious guides have passed on to us only a few items from the voluminous folklore of mushrooms. We are told, among other things that:

A mushroom is poisonous if (1) it has a bitter, acrid or pungent odor; if (2) it changes color when cut open; if (3) a milky juice oozes from it when it is cut or broken; if (4) it is sticky; if (5) it grows on dead trees, rotting stumps, rotting wood debris, decaying straw or manure; if (6) it grows in the shade; if (7) it grows on damp ground; if (8) it is purple; or if (9) it is green, an indication that transcends the category of folklore, since it was formulated in "The Canon of Medicine" of the Persian physician-philosopher Abu-Ali al-Husain ibn Abdillah ibn Sina (980-1037), Avicenna for short.

A mushroom ordinarily edible becomes poisonous in the proximity of (10) vipers, (11) toads, or (12) poisonous plants. If you pick a poisonous mushroom, you can detect its presence if (13) it turns dark in heavily salted water; if (14) it makes vinegar look milky; if (15) it discolors, cooked with it, a silver spoon, a gold ring, a piece of tin, a piece of iron, an onion, garlic or breadcrumbs.

If one of these telltale signs turns up you can render the mushroom harmless by (16) boiling it lengthily, or (17) drying it.

A mushroom is edible if (18) it appears early in the spring; if (19) it appears late in the fall; if (20) it smells like flour; if (21) it is hard to peel; if (22) it grows in the open; if (23) it grows on live trees; if (24) it is a dull pear-gray on top with pink underparts; if (25) it has been nibbled by wild animals or birds; if (26) it can be eaten safely by cats or dogs (this suggests a willingness to dispense with the family pet, or perhaps that of your neighbor in the interest of gastronomic research) or if (27) it has been nibbled at by snails.

Finally (28) snails can eat poisonous mushrooms with impunity. Here you have 28 statements about the edibility of mushrooms. If you want to amuse yourself on a dull evening (it would have to be, I should think, a very dull

evening, with the television out of order) you might make the experiment of asking any friends who happen to be present how many of them they think are right and how many wrong. The answer is simple: they are all wrong. One mushroom that would satisfy most of the tests for edibility is the deadly amanita.

There are many anomalies in the world of mushrooms. One curious fact is that if a box turtle eats a toxic mushroom and you then eat the turtle, you will be poisoned; but if a hare eats the same sort of mushroom and you then eat the hare, you will not be poisoned. There is something in the hare's chemistry that neutralizes the poison; the turtle, unaffected itself, passes it on, as sort of Typhoid Mary, or Mushroom Mary, among animals.

Again, the black ink mushroom, Coprinus stramentarius, is edible when young; but if you eat it shortly after having imbibed an alcoholic drink, or if you take a drink shortly after eating it, it will not kill you, but it may make you quite sick. Why? Because it contains a toxin that is not soluble in gastric juices, but is soluble in alcohol.

Though it is not generally true that poisonous mushrooms can be rendered harmless by cooking them, there are some exceptions, for instance Rhodopaxillus muscus (which is violet, but only mildly toxic) and many mushrooms of the genera Lactaria and Russula, safe if well cooked, but toxic when raw. Some of these warn the prospective eater of danger by a disagreeable bitter or acrid flavor that disappears with cooking (or with fermentation, a method often used in eastern Europe to make such mushrooms palatable). This is the case even with Lactarius rugosus, of which it has been written that when raw it "has a taste that can only be described as a very hot fire."

Alas, mistakes are easy to make, even for those well acquainted with mushrooms. Many of them are altered in color, scent, taste and even shape with changes in latitude, altitude or by being associated with different host plants, which makes them difficult to recognize. The basic fact is that if you don't know mushrooms well, you shouldn't be collecting them at all. The under-trained or overconfident mushroom hunter is taking a grave risk. As an anonymous writer in The New Yorker put it: "Exact botanical identification, as many a mushroom hunter has murmured with his last breath, is always a problem... The spasm one feels after a mistake about one of the mushrooms in the genus Amanita... is apt to prove acute, excruciating and conclusive."

Jazz: A 'Kogun' on the Keyboard

By Michael Zwerin

PARIS—Toshiko Akiyoshi is a small Japanese woman who has risen to the top of a field dominated by macho American males. "Your home country is your bank, your pacifier," she says. "I used to look at Japan like that until a couple of months ago; really it was like a..."



Toshiko Akiyoshi: A pinch of TALT.

Home is Los Angeles, where these two musicians formed their big band, known as TALT, in 1972. TALT has been winning lots of jazz polls lately, including Downbeat's last September. Built around Akiyoshi's compositions (she also plays piano and conducts), TALT features Tabackin's tenor saxophone and flute. It has not been an easy pull and being based in Los Angeles was not the easiest part of it.

"It is impossible to have a jazz project of any meaning in Los Angeles," she said. "Musicians come there to make utilitarian music, to make money. There is little communication or communal feeling. And there's no real feeling for jazz in L.A. But we did it."

Tough Beginnings
They began by cajoling some musicians to rehearse once a week in the union hall. After two years they got their first job, in a small Pasadena club where there were more people on the bandstand than in the audience. They were paid a percentage and the musicians' cut came to \$3 each.

Success began to arrive in the form of other losing propositions, basically subsidized by Tabackin's job playing with Doc Severenson's "Tonight" show band.

Many musicians complain that Akiyoshi's arrangements are too difficult. They are not written in familiar patterns, and not always with normal sectional divisions. (Tabackin once told a complainer: "Difficult today, easy tomorrow.") The form can be compared to Duke Ellington in the sense that it is written for individual instrumentalists rather than instruments. If a featured player isn't available, they cannot play certain pieces. Now that the band tours a minimum of 16 weeks a year, they have their regulars, but her problems have been more than musical.

1929, the daughter of a businessman, she began to play piano at 6. The family moved to Japan in 1939 and she spent the war in an all-girl high school which was "very Western-oriented; we learned to dance the quadrille."

After hearing Teddy Wilson for the first time, she formed a jazz trio, which Oscar Peterson recommended to impresario Norman Graetz. She came to the United States in 1956 to study at Boston's Berklee School of Music, moved to New York in the '60s and played with people like Roy Haynes, Oscar Pettiford and alto sax Charlie Mariano (her first husband). She was Charles Mingus' pianist for 10 months.

Working the club circuit with her trio, she became a "name." She had her own radio show in 1968. She debuted as composer-conductor in a 1972 Town Hall concert. Her five pieces for this occasion eventually became the base of the big band library.

Their first album, "Kogun," has sold 30,000 copies in Japan. It won the Japanese jazz magazine Swing Journal's "Silver Award" in 1974, and the band has since toured Japan about once a year.

"Kogun means 'forlorn force,' or 'one who fights alone,'" she explained. "I dedicated it to that Japanese soldier who had been discovered in the Philippines and didn't know the war had ended. I really felt for that person, staying in the jungle 30 years out of fear."

"I work very hard to try and combine Japanese and American culture in my music. For awhile I

thought maybe the Japanese influence could have the same tremendous impact on jazz as Brazilian music did. Now I think that is not possible, but that's okay."

Contrasts are necessarily heightened for someone in a double-minority position. Which gets back to the revelation. "When I first came to America, I wasn't aware of being different. I had also played jazz in Japan, my breakfast there had also been toast and coffee. I had my own trio there and played with American musicians because they were the best players."

"But after four or five years I began to learn about America, how the different ethnic communities function. In New York I began feeling resentment, but I couldn't figure out if it was because I was Japanese or a woman. The whole thing is very complicated."

"The more I lived in America the more foreign I felt. But I've been there 26 years now, longer than I've lived anywhere else. I think you cannot separate yourself from your environment, we become part of our surroundings. You know nothing particular happened, there was no flash or anything, but a few months ago I realized that maybe I'm not as Japanese as I'd like to think."

TALT: Regensburg, West Germany, Nov. 17; Mayen, Nov. 18; Bonn, Nov. 20; Berlin, Nov. 21; Paris (New Morning), Nov. 23-24; Heist op den Berg, Belgium, Nov. 25; Laren, the Netherlands, Nov. 26; Hamburg, Nov. 27.

South Africa's 'Blue Train' Is One of World's Top Rides

By Caryle Murphy

JOHANNESBURG — This is a country where the trains run on time, so at precisely 11 a.m., South African Railway's pride and joy glided into Platform 16 at Johannesburg Station.

The electrically powered Blue Train, trimmed and chevroned in bright yellow, was sparkling with the shine of a mountain lake on a cloudless day. Through the window, (dusted with a layer of real gold to reduce glare and heat) you can see the white-jacketed, all-male staff of 26 waiters and valets at their posts.

In just over 24 hours, this 16-coach repository of old-world staidness and comfort winds its way on a 958-mile route stretching practically the length of South Africa and linking the country's three major cities of Pretoria, Johannesburg and Cape Town. Embarking passengers find their names and assigned compartments typed on a small white card pinned to a board on the platform. Inside, soft carpets, soothing piped-in music and a complimentary half-bottle of

chilled champagne keep the Blue Train up to its reputation.

Each air-conditioned compartment, or coupe, has a radio console (both English and Afrikaans), an ice-water tap, a bell for the valet, electrically controlled venetian blinds, a washstand, closet and berth.

In one corner is a locker that also opens onto the corridor. It is for your shoes. You put them there for overnight polishing.

There are four classes of coupes, including one suite of three rooms — bedroom, sitting room and a bath with marble tub. At full complement, the Blue Train sleeps 106.

'International' Train

The Blue Train, unlike most trains of the South African Railways, is "international," South African bureaucrats for multiracial. It takes passengers of any race, as long as they can afford the fare (about \$180 one way). Rail officials say they run the train at a loss, but will continue to do so because it is a tourist attraction and "a prestige train."

Its history began in the 1920s when the steam-powered Union Express puffed uphill from Cape Town to Johannesburg and the

Union Limited made the return trip. But those were ordinary coaches.

Twelve blue luxury coaches were imported from Britain in 1939 but had to be mothballed during the war. In 1946, they were officially baptized the Blue Train and put into service. Today's Blue Train was made in South Africa, replacing the imported one in 1972. It makes two trips a week in winter months and three during South Africa's warm season, between November and April.

Southbound, the Blue Train starts from Pretoria and stops first in Johannesburg, 40 miles away. As it pulls out of Egoli or "city of gold," it passes Johannesburg's distinctive gold dumps — huge, zigzag-shaped mounds of earth from the gold mines.

Then it heads into the flat, brown countryside, whose wealth lies in huge farms of corn and wheat and deep mines of gold, diamonds and coal. Black laborers in overalls and barefoot schoolchildren stop to wave.

Only at one small station in the late afternoon is there a hint of the problems this outwardly tranquil country faces. A freight train heading north toward Pretoria is filled with twisted, bullet-pocked jeeps and ar-

mored cars — debris of the distant war South Africa is fighting against black guerrillas in neighboring Namibia.

By nightfall, the smooth 60-mile-an-hour pace has brought the Blue Train into Kimberley, site of the "big hole," the largest diamond mine site in the world.

With the dawn comes the end of the Karoo, the plateau named by the Hottentots, then the scenic highpoint, a sight that explains why Dutch and Huguenot settlers who came here 300 years ago stayed.

The Hex River Valley, which is seen at dusk on the northbound Blue Train, is the foyer to South Africa's wine-growing region.

After a short while, the flat-topped Table Mountain heralds the approach of Cape Town, a jewel of a city set between a striking mountain and the chilly southern Atlantic. To South Africans, this is the "mother city," because here in 1652 the Dutch entrepreneur and adventurer Jan van Riebeeck launched the white man's sojourn in this country with his tiny, seaside settlement.

And so, the Blue Train's journey ends where it all began.



fo'cus n....point of convergence, point on which interest, activity is centred (pl fo'cuses, fo'ci...) - vt. bring to focus, adjust, concentrate.

Collins Gem English Dictionary

Focus is a series of special features that will run in The Times every Wednesday throughout 1982. Each week, The Times' team of specialist writers will focus their attention on a different country to give a detailed picture of the political and business climate. They will examine economic, financial, commercial and industrial development.

There will be portraits of the country's leading businessmen and politicians, together with economic forecasts and opinions. And close-ups on market opportunities for trade and industry. Focus will rapidly become required reading for businessmen, politicians, financiers, decision makers and opinion formers, both in the U.K. and abroad.

Focus in The Times

List of dates.

Table with columns of dates and countries: Jan 13 Nigeria, Apr 7 Belgium, Jul 7 To be announced, Oct 6 Greece, Jan 20 Brazil, Apr 14 Venezuela, Jul 14 France, Oct 13 Italy, Jan 27 Zimbabwe, Apr 21 Denmark, Jul 21 To be announced, Oct 20 Jordan, Feb 3 Portugal, Apr 28 Ireland, Jul 23 Mexico, Oct 27 Finland, Feb 10 China, May 5 Japan, Aug 4 Singapore, Nov 3 Austria, Feb 17 Qatar, May 12 Hong Kong, Aug 11 Kenya, Nov 10 Syria, Feb 24 United Arab Emirates, May 19 Switzerland, Aug 18 New Zealand, Nov 17 Oman, Mar 3 Netherlands, May 26 Kuwait, Aug 25 Malaysia, Nov 24 Norway, Mar 10 India, Jun 2 To be announced, Sep 1 Ivory Coast, Dec 1 Soviet Union, Mar 17 Turkey, Jun 9 Canada, Sep 8 Australia, Dec 8 Sweden, Mar 24 U.S.A., Jun 16 West Germany, Sep 15 Egypt, Dec 15 Bahrain, Mar 31 Indonesia, Jun 23 Spain, Sep 22 Saudi Arabia, Dec 22 Cyprus, Jun 30 South Korea, Sep 29 Philippines

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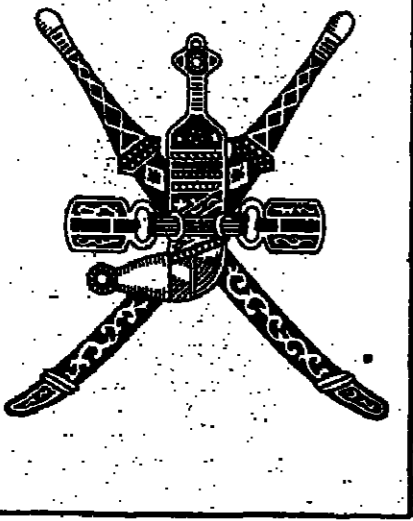
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سنة ١٤٠١ هـ

OMAN

A SPECIAL SUPPLEMENT



Sense of History Contributes to the Building of a Modern State

By Ken Whittingham

THE SULTANATE of Oman, with a territory of about 300,000 square kilometers, is the second-largest state in the Arabian Peninsula.

A founding member of the newly established Gulf Cooperation Council, Oman is very much a part of the Arab Gulf states. Yet for a variety of reasons this vast and varied country, with its multi-ethnic population, is quite different from its northern neighbors.

One distinct difference between Oman and its neighbors is its long, proud history, which makes it one of the oldest political entities in the region. There is evidence of human settlement in the Stone Age, while commercial activity is known to have existed in the third millennium B.C., long before the recorded settlement of Arab tribes from the Yemen region in the second century B.C.

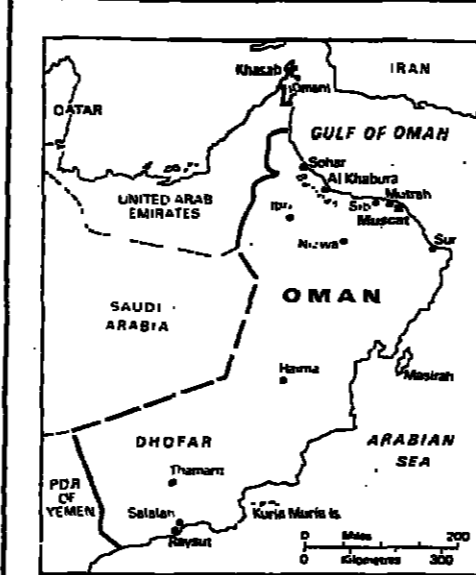
This long civilization has had a major effect on the population of Oman. Despite the hard times that preceded the rule of Sultan Qaboos bin Said, who overthrew his father in 1970 and sought to bring his country out of the dark ages, Omanis of every social class and standing retain a commitment to their homeland and a deep sense of identity, which is often absent in the more recent political entities of the Gulf.

Guaranteed Continuity

Whereas in some Gulf states the primitive crafts and lifestyles of earlier ages are seen as something to be forgotten in the age of concrete and computers, the Omani people are happy to preserve and display those facets of life that have guaranteed continuity for the people of the nation in times of prosperity and want.

Many of the educated people and traders in modern Oman are those who were lucky enough to escape to Africa, India or the Gulf following their trading connections and acquiring education in the days of Sultan Said bin Taimur, when opportunities at home were limited. But they fully recognize and respect those who stayed behind to tend their herds and fish the seas.

As an economic adviser put it: "The people of Oman have a generous nature and a complete lack of arrogance. Those who left during



NATIONAL DAY

THE SULTANATE of Oman celebrates on Wednesday, Nov. 18, its National Day, honoring the founding of the modern Omani nation. The birthday anniversary of its ruler, Sultan Qaboos bin Said, pictured at right, also falls in November. Above, the cornice of Muscat, guarded by ancient fortifications.

Population 1.5 million (est.) Annual pop. growth 3 percent

Table with 2 columns: Metric and Value. Includes Area (300,000 sq. km), GDP (\$3.4 billion), Per capita GDP (\$3,900 est.), Average inflation rate last 5 years (10 percent), Exports (1979) (\$2.2 billion), Imports (1979) (\$1.4 billion), Exchange rate (1 Omani rial = U.S.\$2.92).

The Economy Gains Despite Tight Budget

Special to the IFT

SINCE OMAN began pulling itself out of its isolation and backwardness in 1970, the people have had to face the fact that development on a limited budget is hard work and demands sacrifice.

Sultan Qaboos bin Said, in a recent interview with the London-based Middle East Economic Digest, said: "It must be said that we in Oman have been very lucky. By force of circumstances, our development started later than many others and we have been able to learn from their mistakes. One of these is not to establish huge projects merely for prestige purposes."

On reflection it may be said that Oman was far from lucky, but rather showed the wisdom to learn from its experiences and solve problems in the most appropriate way rather than import ideas from other states with different problems.

Throughout the first five years of Sultan Qaboos' reign, military spending to cope with the threat of the rebellion in the southern area was taking up to 50 percent of the state budget, while at the same time expensive infrastructural development was the only way to remove the causes of the rebellion.

As though the economic difficulties ensuing from that situation were not enough, the end of the war in 1975, promising a bright start to the First Five-Year Development Plan, was quickly followed by a decline in oil production. Record production in 1976 allowed the process of importing technology and Western goods for the plan to begin, but by 1977 the financing simply was not available.

At the same time, in 1977 and 1978, the price of crude oil exports remained relatively stable as the Organization of Petroleum Exporting Countries strove to hold back the inflated costs of manufactured goods so vital to their development. Although Oman has never belonged to the oil cartel, its prices follow OPEC's marker levels.

Every state in the Gulf faced difficulties in the middle to late 1970s, badly hit by inflated contracts and largely without the enormous cushion of reserves that is now available. Oman was hit worst of all, and ended up with an outstanding external debt of about \$481 million in 1979.

The government of Oman did not panic but held to its development program. Knowing that to delay infrastructural projects would only entail more expenses and further hamper the expansion of the private sector economy.

Industrial Projects

To deal with the balance-of-payments problem and service debts, Oman put money and effort into an intensive search to discover new oil resources and boost production back to the 1976 levels, while laying down plans for industries that would reduce costly but vital imports. These included the Sohar Copper Project, an oil refinery being built by Hyundai at Mina Fahal to avoid importing gasoline and other refined products, a 600,000-ton-a-year cement plant at Rusail, with a second private sector cement project in Raysut in the southern province, and a large industrial estate fully equipped for private sector use at Rusail. Many of these projects will go on stream during the coming two years.

Meanwhile, dramatic increases in the price of crude oil exports coupled with increased production since last year has allowed Oman

(Continued on Page 10S)

Oil Development Has Taken Giant Strides in 2 Decades

Special to the IFT

OMAN'S development, like that of its Gulf neighbors, is almost totally dependent on oil. Oil revenues will provide 86 percent of the Second Five-Year Plan budget allocation of \$21.3 billion. Of that total, \$6 billion is allocated for development expenditure aiming at creating an economic and social infrastructure and diversifying sources of national income. Without oil revenues to pay for essential development, Oman's future would be bleak.

Yet, as Oman embarked on its first development plan in 1975, a shock was in store. Oil production peaked in 1976 at 133.8 million barrels and thereafter began declining. Rather than accepting the inevitable, however, the government decided to put its money into a renewed search for oil reserves and for further means of boosting production from existing wells. Both schemes paid off handsomely, and Oman is now on target for production levels of 330,000 barrels a day throughout the five-year plan that runs to 1985.

Oil exploration began in Oman as long ago as 1925, when a concession was granted to the

D'Arcy Exploration Co. The concession was taken over by the Iraq Petroleum Co. in 1937 and was later transferred to Shell-dominated Petroleum Development (Oman) Ltd.

Late Exports

Despite keen interest in Oman's prospects as an oil producer on the part of international companies, it was not until 1962 that oil was discovered in commercial quantities, given the low price of oil in those days, and regular exports of crude oil did not begin until Aug. 1, 1967, more than a decade behind the rest of the Gulf states.

This lack of serious effort in oil exploration and production on the part of the companies was one major reason for Oman's backward state (compared with its neighbors) until Sultan Qaboos bin Said came to power, although it was not the sole factor.

Most of Oman's oil is produced in the north, since by the time production began in earnest the rebellion in the southern region effectively prevented any exploration taking place even though prospects for oil in the Marjan region were known to be good. But with the end of the rebellion in 1975 and the urgent need to find new resources in order to maintain production levels, the government, which had taken a 60-percent shareholding in Petroleum Development Oman, in partnership with Royal Dutch/Shell (34 percent), Compagnie Francaise des Petroles (4 percent) and Parlex (2 percent), signed a long-term agreement with its partners for the development of the southern oil fields. The government's program for the development had an allocation of \$380 million, of which the Abu Dhabi Fund for Economic Development contributed \$170 million in 1978.

After the agreement was signed, new oil fields were discovered with great frequency during the next two years, and as prices of crude oil soared toward \$40, fields once thought uncommercial by the oil majors had become commercially viable prospects. As of January, 1981, Oman's total oil reserves stand at an estimated 2.5 billion barrels, with the southern fields representing half a billion barrels and more finds expected. Crude from southern wells is of varying types, ranging from viscous heavy in Marjan to light crude at Birba and Samba.

The southern fields went on stream in November, 1980, and production from the region averages 70,000 barrels a day. In the northern fields, new techniques of water and gas injection are enabling production levels to be maintained. Petroleum Development Oman, which became an Omani-registered company on May 31, 1980, produces the bulk of Oman's oil exports. But a consortium of Elf-Aquitaine-Samitomo-Wintershall operates the Samba field near the Saudi border. This field began production at the end of last year and is running at 12,000 barrels a day of exceptionally high-quality light crude, which is pumped to Mina Fahal and blended with heavier PDO crudes on a production-sharing basis.

A number of other international companies are engaged in exploration in other areas, and the success of the Elf group in a hitherto untapped area has raised hopes of further finds. While all of Oman's existing wells are on shore, international groups have taken up offshore concessions in the Musandam region, the Sohar region and near the Kuria Muria islands.

In addition to oil, which should be sufficient

(Continued on Page 10S)

The Tourism Factor

By Penny A. Hopkinson

BACK in the mid-1970s, few people had heard of Oman, let alone visited the sultanate. Only a handful of the many thousands of businessmen visiting the Gulf states even considered the value of potential contracts. There were two major reasons. First, expenditures on contracts were not commensurate with the allocations from other oil-rich nations. Second, there were too many problems in processing the entry documents and this tended to deflect interest. Oman was often last on the schedule and even then there was no certainty that the documents would be processed in time.

One feels that it is still something of a privilege to be able to visit this charming country. Gaining access still is not easy but things have improved considerably during the last few years. The position is complicated because visas or No Objection Certificates are not normally obtainable through the Omani consulates abroad. Visas are required for all foreign visitors, and applicants with connections in the sultanate must obtain a letter from the firm or government department they wish to visit with full particulars.

Although if you were to shop around, you could bring a tourist-class ticket down to about \$900, there is still the relatively high cost of a week's accommodation at about \$300 to consider. Up to now, no one has worked out a total package.

Processing Time

It is normal for the actual No Objection Certificate to be sent to Seeb International Airport, where the visa is issued, although it is not advisable to arrive without knowing the number and date of issue. Six weeks should be allowed for processing. The situation is easing, however, and with the exception of November, when many guests are invited to attend the National Day celebrations, visas can be processed more quickly. The Ministry of Commerce and Industry often acts as sponsor to visiting businessmen, and the Ministry of Information to foreign journalists.

Oman has now proposed a five-year plan to develop tourism facilities through the Ministry of Commerce and Industry. About \$14.4 million has been allocated for the construction of restaurant and rest house complexes throughout the sultanate, a number of which will be built along the 1,500-kilometer route between Muscat in the north and Salalah, Oman's southern area capital. A number of family villas will be built to complement those provided in Salalah.

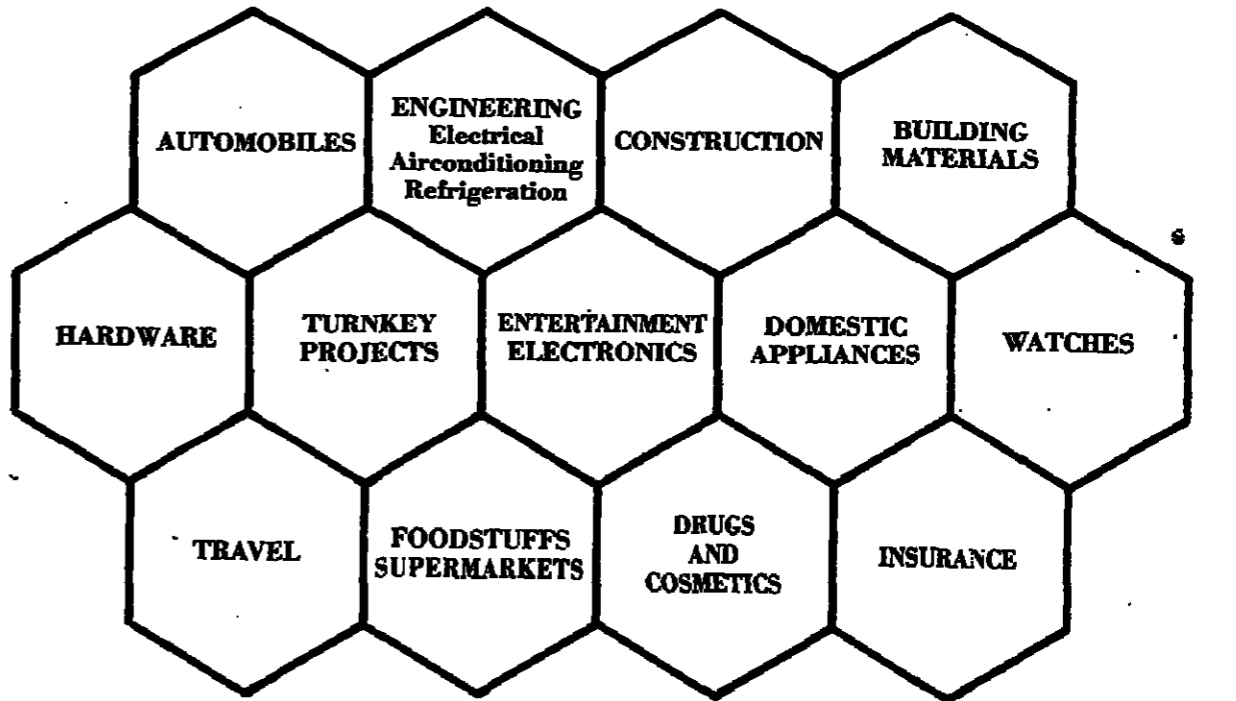
Visitors will also be able to visit Jebel Akhdar, one of Oman's most beautiful regions, when another road is completed. Additionally, there are plans to provide facilities for tourists at the historic and beautiful places such as Nizwa, Rustaq, Sur and Bahla.

"We hope to attract three basic sectors of tourists," said Mohammed Noor Ismail, adviser on tourism at the Ministry of Commerce and Industry. "First, we will attract people from the Gulf area — nationals and residents. Many Middle Eastern nationals do not require entry visas, and it will thus be easier for them to come for a long weekend or short holiday with their families."

"The second type of tourist is the stopover passenger. Already, a number of airlines sales managers have asked about the possibility of the ministry sponsoring them for transit visas. Oman is ideally placed for people wishing to break their journey, say, between Europe and the Far East. We are hoping that airlines and hotels will cooperate in producing suitable packages at attractive prices for this type of tourist. In fact, we

(Continued on Page 11S)

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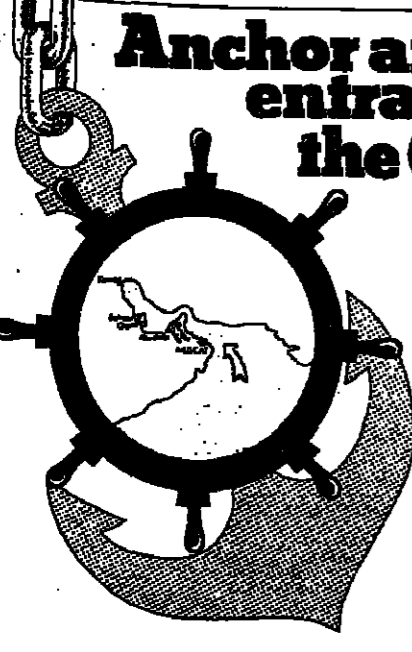
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## Agriculture Resources Developed

Special to the IHT

By a freak of nature every summer, the Indian monsoon rains drench a small corner of southern Oman. The perimeters of the downfall can be marked with precision. On one side of the line there is dry arid desert and on the other, for a brief period, the land is carpeted with lush green vegetation. This is Dhofar with its banana trees, coconut palms and herds of mountain cattle. It is one of the oddities of the Arabian Peninsula that gives Oman its distinctive character and its hope for the future.

A highly developed system of tribal ownership of water holes ensures that meager resources are protected. This system is just one of the examples in the varying geographical regions of how man has found a way to live in harmony with his natural surroundings, a fact that has not been lost on Oman's planning experts as they seek to boost agriculture, animal husbandry and the fishing industry to feed the nation and eventually gain revenues from exports.

The agricultural potential of Oman is enormous because the land, given sufficient water, is extremely fertile. Again, this is no new discovery. Centuries ago, when the Persian empire gained control over Oman, it began to establish the *falaj* irrigation systems, man-made canals designed to use gravity to bring water to cultivable areas.

About 4,000 of these ancient canals have been discovered. Most are dilapidated beyond repair, having been neglected during Oman's dark ages prior to the accession of Sultan Qaboos bin Said. It is a heartening sight to find boys at summer camps busy clearing and reactivating the canals in vital regions — an example of the self-help programs encouraged by the Ministry of Agriculture and Fisheries in the rural areas.

Water is the key to Oman's agricultural plans and in the current five-year plan, \$37 million is allocated to the Public Authority for Water Resources for surveying and developing water resources in the interior of the country. Help will be given to reactivate the *falaj* systems, which are normally privately owned on a sharing basis by groups of villagers. Drilling programs will investigate potential underground water reserves. Water table levels will be scientifically studied to ensure that the increasing use of water pumps by farmers does not irreparably damage existing resources.

One other important project is to find effective ways of preventing the loss of water to the sea. Planners estimate that agriculture in northern Oman uses 188 million cubic meters of water a year, while 162 million cubic meters is lost in seepage to the sea. Recharge and flood-control dams are envisaged as the best way to capture and recycle at least one-third of the loss.

Providing water is the government's concern, but in most aspects of agricultural development, according to Dr. Alam el Hoda Hamud, director of planning at



Alfalfa is grown in the south, a region where cattle are raised.

the Ministry of Agriculture and Fisheries, the policy is for the government to act as a noncommercial service to serve and support farmers and fishermen. Following the free enterprise road of the economy as a whole, the government does not see itself as a producer but, in addition to scientific assistance and subsidized input in the form of seeds and fertilizers, it has allocated about \$23 million to encourage private sector development.

**Agriculture Production**

To improve agricultural production, the government has established experimental farms and laboratories to investigate possible new crops — strawberries being one of the more surprising fruits being tested. The research station is also investigating possibilities of beekeeping. Soon Oman will be known for much more than its traditional output of dates and dried limes, which still provide a small export income.

Modern processing plants have been established for processing and packing dates, bananas, potatoes and other crops in Salalah, capital of the southern province. Farmers sell their produce to the government, which then handles marketing to ensure fair prices for farmer and consumer alike, and a fair distribution.

The Jabalis, as the tribal mountain dwellers are known, live in the mountains of the southern region where the cattle feed on pastures provided by rain. They are traditional cattle owners and have their own ways of looking after their herds, which become almost a part of the family. Even though there may be more effective ways of rearing cattle, the government has no wish to disturb the traditional way of life. Jabalis, for example, believe that sardines are vital to

# OMAN

improvement in agriculture and animal husbandry.

At the top end of the scale, major fisheries projects have been established at Muttrah in the capital region and at Salalah. These include cold stores, freezers, ice plants and other necessary facilities. Marine workshops have been set up at fishing centers around Oman's coasts where fishermen can repair their engines with expert advice.

Last year, the Oman National Fishing Co. was established to persuade private sector investments to become involved in the fishing industry as a major contribution toward long-term development. Under the current five-year plan, the Oman Bank for Agriculture and Fisheries has been established with initial capital of \$36 million to provide soft finance for private sector projects. A whole range of further incentives is being provided.

These projects are being carefully controlled to avoid hurting the traditional fisherman, who, said Dr. Hamud, has proved to be, along with the farmer, the backbone of the nation, persevering through the dark days when others left the country to seek better opportunities abroad.

**Government Subsidy**

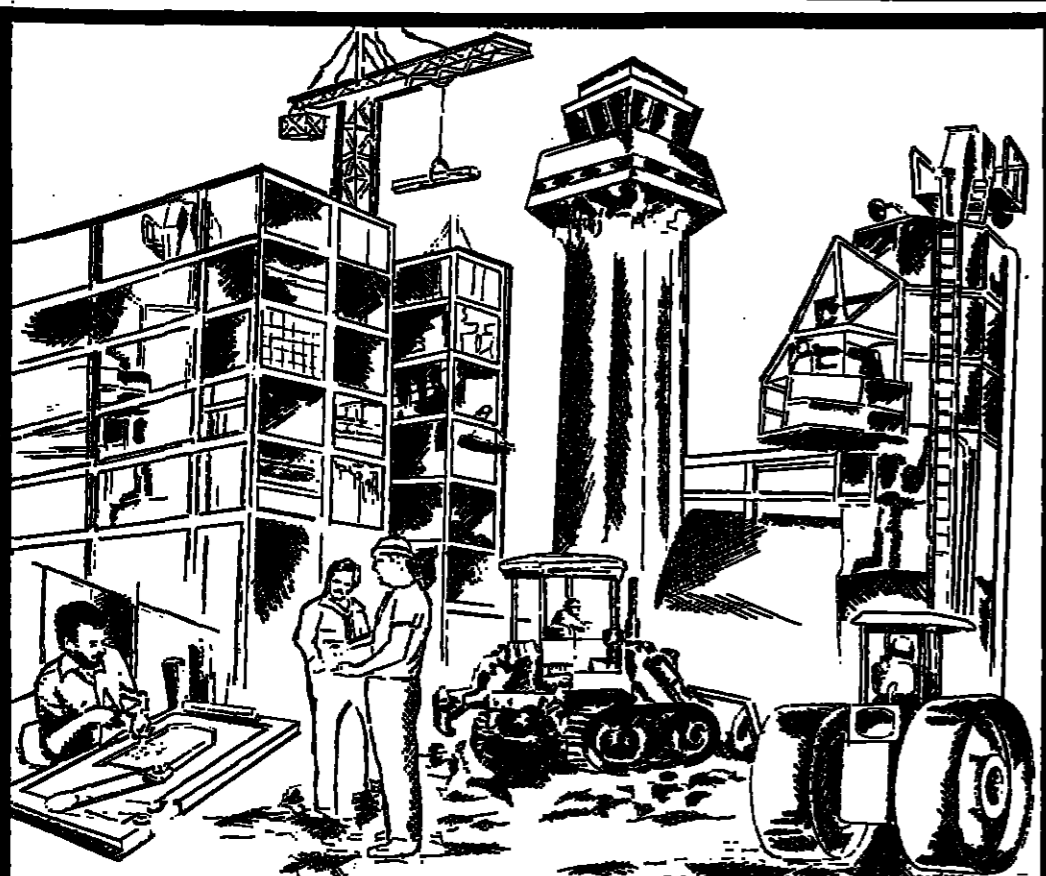
Since 1976, the government has been helping fishermen to help themselves through the Fund for Encouragement of the Fisherman. The government has provided needy fishermen with more than 2,000 outboard motors and 500

aluminum boats, since the traditional crafts on which the fishing industry depended — boat building and sail making — are fast disappearing as Oman modernizes.

Any morning at dawn, these government gifts, provided free or at nominal cost, can be seen bobbing at the quayside at Muttrah fishing center where the day's catch is marketed. Muttrah market is even used by fishermen driving in from the border areas of the United Arab Emirates as license plates on the pick-ups along the harbor wall testify.

The prospects for production of food, Dr. Hamud said, are encouraging. He believes that, provided the government encourages but does not interfere with private sector investment, Oman will be self-sufficient within a few years. Already Oman has 84,000 hectares under cultivation and by the time the current five-year plan is over that will have increased considerably.

The seas, Dr. Hamud said, provide an immeasurable source of food, for unlike the enclosed waters of the Gulf, which is in danger of being overfished, Oman, with access to the open sea on two sides, does not make any noticeable impact on the fish stocks. This does not mean that there is no need for caution. Surveys are under way on Oman's marine wealth, and the sultan is most anxious that conservation and environment protection measures are kept high on the list of priorities to ensure that development does not mean destruction.

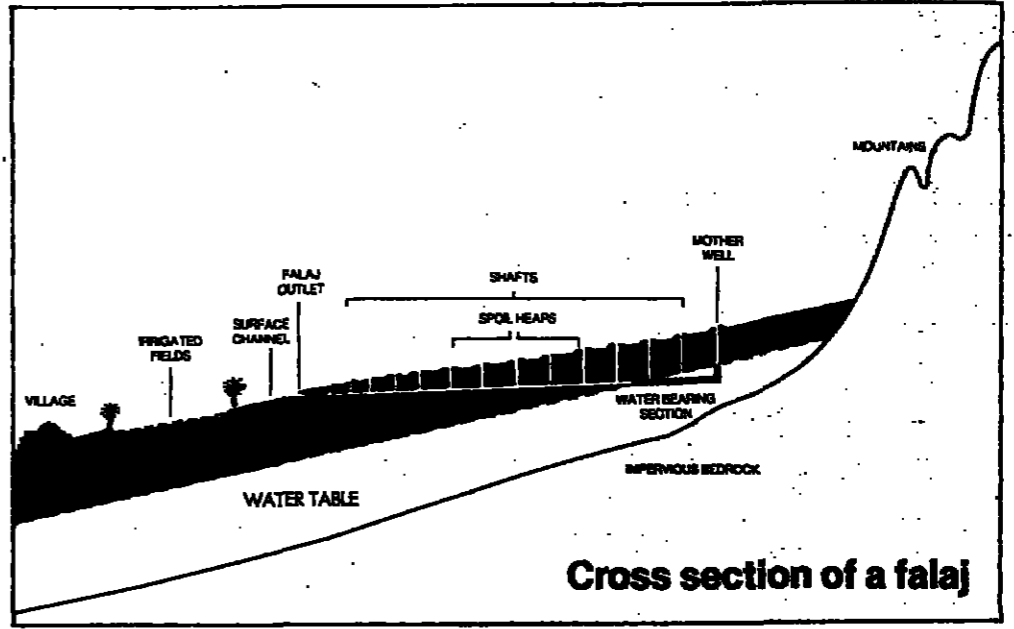


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## Economy Gains on Tight Budget

(Continued from Page 9S)

To recover from its debt situation and record a surplus.

To ensure that present financial resources are invested to deal with problems that may arise in the post-oil future, the sultan decreed the establishment at the beginning of 1980 of a State General Reserve Fund. Fifteen percent of net oil revenues will be paid into this fund in addition to any budget surplus outstanding at the end of each fiscal year. Government economists are still working on an investment strategy for the fund to ensure

maximum returns for future generations.

As oil production reaches toward the target of 330,000 barrels a day, national income in the next year or so should be well upward of \$4 billion a year and, provided that energy prices remain high, as seems likely, the overall oil income during the Second Five-Year Plan to 1985 will be well over \$25 billion. With \$21 billion allocated to the five-year overall plan, of which about \$6 billion is for nonrecurring development expenditure, Oman hopes to move into the second-half of the 1980s with a healthy surplus, no longer in need of loans and grants and, more importantly, with a fast-growing income from the private sector taking advantage of infrastructural developments.

**Careful Planning**

Much of Oman's success in balancing its books relates to careful planning and a commitment to keep a tight rein on expenditure where necessary. While the government spends heavily on long-term infrastructural development and social services, it does not go out of its way to protect the marketplace from the rising costs of imported goods. Believing in a free economy, the government has allowed the private sector to solve its problems according to market forces. Where the private sector is willing to enter into manufacturing and other vital industries, every possible government incentive is provided, but there are no gifts available for the consumer import trade.

Every government contract goes to tender and consequently there are no hidden subsidies to favored companies through state expenditure. As an economist in Oman said, the tender system favors the cheapest bid even if it is not always the best.

During the last six years, since development was given a strategy, the government has attempted to ensure that the country is opened up and that every sector of the population has the opportunity to use its skills.

By the end of the plan in 1985, if it is successful, the government will begin to fade into the background while the private sector takes over the national economy.

Oil will not last forever, and when the last barrel leaves the shores, Oman, with its varied natural resources and its national manpower, should be ready to face an economically viable future.

## Oil Development Has Made Giant Strides in 2 Decades

(Continued from Page 9S)

for the country to develop its infrastructure and an alternative economic base, there are small reserves of natural gas estimated at 6.3 trillion cubic feet, of which about 80 percent is gas not associated with oil fields. Plans for gas are mainly to fuel domestic need, feeding electricity generators, water desalination plants and other industrial ventures, thus releasing more oil for exports. Some gas is reinjected into oil wells to boost production, while natural gas liquids plants in Fahal, Yibal, the main gas gathering station, and Saib Rawl extract 3,000 to 5,000 barrels a day of petroleum liquids from associated gas before it is flared, the liquids being pumped back into the crude oil. Small quantities of butane and propane for domestic use are also produced at Yibal.

Once the oil refinery at Mina Fahal goes on stream in the middle of next year, Oman should be well

**There are small reserves of natural gas estimated at 6.3 trillion cubic feet.**

on the way to self sufficiency for its energy and fuel requirements, thus cutting a large slice out of the import bill while maintaining sufficient revenues from exports of crude oil to pay its development bills.

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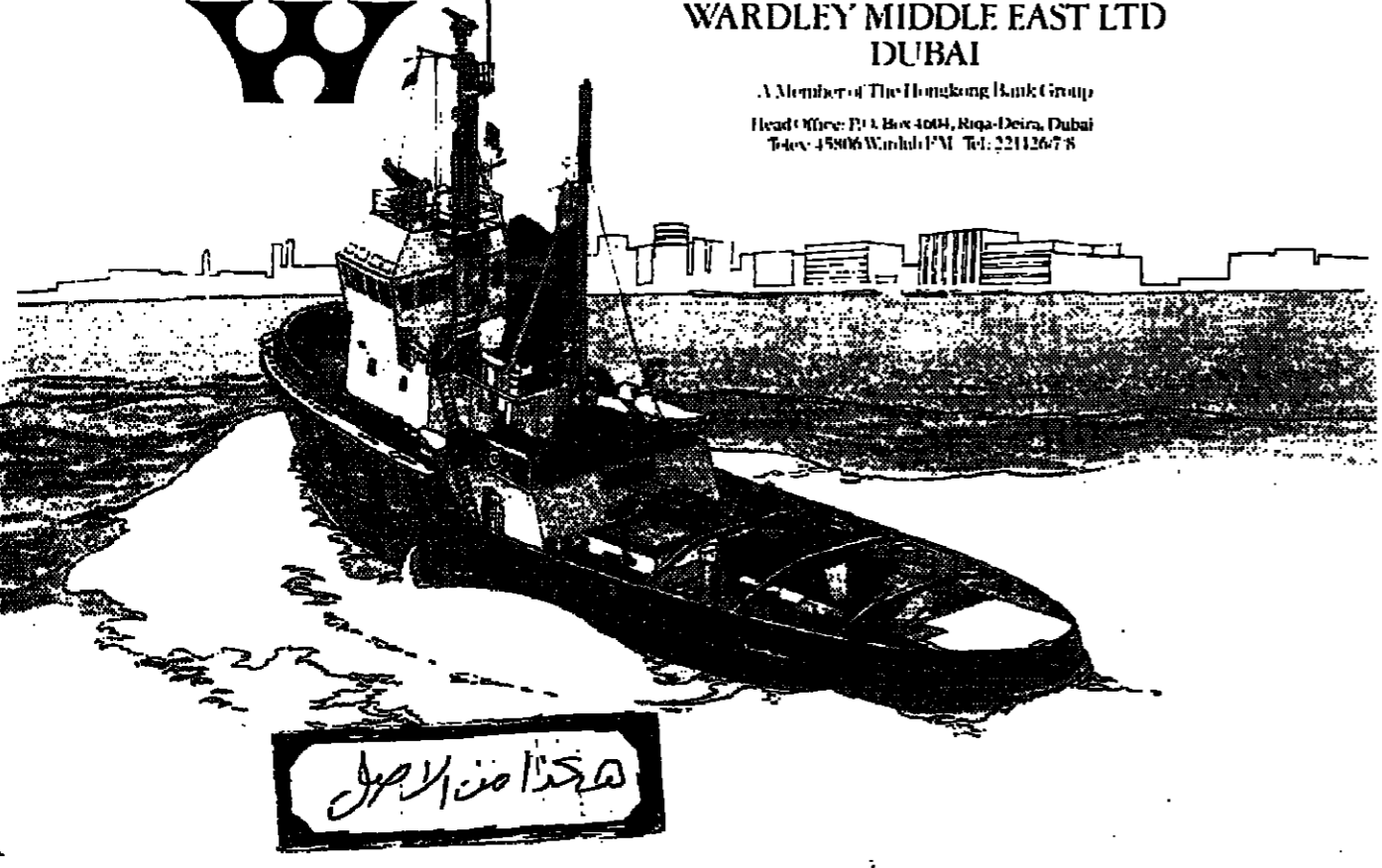

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Year	Annual Production*	Average Production**	Change
1967 (Aug./Dec.)	20.9		
1968	87.9	241	+ 320.6%
1969	119.7	328	+ 36.2%
1970	121.3	332	+ 1.3%
1971	107.4	294	- 11.5%
1972	102.8	282	- 4.2%
1973	107.0	293	+ 4.1%
1974	105.9	290	- 1.0%
1975	124.6	341	+ 17.7%
1976	133.8	366	+ 7.4%
1977	124.1	340	- 7.3%
1978	114.8	314	- 7.5%
1979	107.8	295	- 6.1%
1980	103.3	282	- 4.2%

\* millions of barrels \*\* thousands of barrels per day  
 Source: The Sultanate of Oman Development Council  
 The Second Five Year Development Plan, 1981-1985

Oil BELIEVES ORGANISATION... WORK FOR IT

THE N

## Education Making Headway

THE IMPORTANCE of education to any developing country as it seeks to produce trained manpower and reduce its dependence on foreign expertise is so obvious that it has become a cliché. All too often, however, the process of creating an educational system focuses on the numbers game. Vast construction programs provide modern schools with the very latest in technological facilities, and the head count of pupils becomes the evidence of development.

Oman, with its vast territory and, for the region, relatively large population of an estimated 1.5 million, faced even more problems than its neighbors when it came to setting up an education system. Until 1970, there was no education for Omanis in Oman except some religious schools and three preparatory schools offering six years of education to boys from a few selected families. In general, however, the only children who received a formal education were those whose parents took them abroad.

Years of deprivation created an thirst for knowledge in this country, which has a long history of relations with the outside world. No sooner was the old regime swept away than schools began to spring up in hastily converted buildings or, in the interior in particular, under the shade of a tree. Now, the

undersecretary for education, Sheikh Amir Ali Omani, an educator for the last 40 years who spent most of his younger years in Zanzibar (which once was under Omani sovereignty), can say that his biggest headache is to cope with the ever increasing demand for education.

### Qualitative Growth

There are 380 schools of all levels catering to 120,000 boys and girls. More than 1,000 Omanis are studying at foreign universities on government scholarships. By the end of the current five-year plan, enough schools will have been built to ensure places for all children throughout the country — there are still an estimated 20,000 children beyond the system simply because of the financial and technical restraints on expansion in such a vast and diverse territory. At the higher level of education, Sultan Qaboos announced on National Day in 1980 that the Qaboos University will be built in Muscat.

Sheikh Amir displays less interest in the numbers game than in the qualitative growth of the system, and here Oman has revealed a level of determination and self-reliance not often seen in education in the Arab world.

When the rush for education began in 1970, the teaching re-

sources, in terms of manpower and material, were nonexistent. Like other states in the region, Oman had to import teachers from other Arab states such as Jordan and Saudi Arabia. More than 80 percent of Oman's educational staff still comes from outside, a situation that Sheikh Amir says will continue for a number of years.

That does not mean, however, that Oman is content to sit back and let others take responsibility for teaching. Ideally, the undersecretary said, potential teachers should have reached a high standard of education, having achieved the secondary certificate at least. "We could not wait," he said, "we decided to coopt ninth-grade students for a three-year teacher training course, which would also include raising their educational standards to secondary certificate level." The first products of the teacher-training course proved successful as educators in the primary school levels.

### Teacher Institute

Students who complete their secondary education and wish to teach are given a one-year diploma course at the teacher training institute. When feasible, this will be increased to two years. The distant aim, Sheikh Amir said, is that all teachers should hold a secondary certificate and pass a two-year training course.

Realism is the driving force behind all Oman's education plans — the Education Ministry staff does not have time to dream. So in 1975 the ministry embarked on a difficult but feasible plan to ensure that children received a truly Omani education in spite of the predominance of foreign educators. By 1975, education facilities were spreading fast but all the material, textbooks, visual aids and other materials were imported, and in many cases irrelevant to the local experience. With the help of education experts from Jordan's universities, the ministry began to develop a skeletal syllabus first for primary, then intermediary and

## Number of Schools, Pupils and Teachers

	1969/70	1974/75	1979/80
<b>I. Number of Schools</b>			
(A) Primary	3	163	237
Male	3	88	74
Female		44	41
Co-education		31	122
(B) Preparatory	11	114	114
Male		9	64
Female		2	31
Co-education		10	19
(C) Secondary		2	12
Male		1	8
Female		1	4
Total	3	176	363
<b>2. Number of Pupils</b>			
(A) Primary	909	48,576	83,703
Male	909	36,351	56,409
Female		12,225	27,294
(B) Preparatory	571	10,177	10,177
Male		437	7838
Female		134	2339
(C) Secondary		82	943
Male		63	708
Female		19	235
Total of Pupils	909	49,229	94,823
Male	909	36,851	64,955
Female		12,378	29,868
<b>3. Number of Teachers</b>			
Male	30	2115	4325
Female	30	1610	2998
			505

*Source: The Sultanate of Oman Development Council, The Second Five Year Development Plan, 1981-1985*

secondary schools. From first readers through to advanced history, geography and science subjects, the aim was that text and illustrations should relate directly to Oman wherever possible.

Once a series of textbooks for a particular subject is ready, it is introduced into a number of schools for a test. Teachers, children and parents are invited to comment on the material, and it is amended where necessary before becoming an integral part of the system. Every new textbook, Sheikh Amir said, receives the same careful attention to ensure that costly mistakes do not occur and that teachers are provided with the most useful material possible.

Already, "Omanization" of studies is complete in the primary levels and is nearing completion in

intermediate schools. This year, the department of curricular development will concentrate on secondary education.

### English Taught

The process does not only apply to subjects taught in Arabic. Oman is the only Arabic country that teaches English from fourth grade primary onward. The Education Ministry is currently working with Longmans, the British publishers, to provide relevant textbooks. Sheikh Amir said that the textbook writers must come to Oman to ensure that their book is useful. The relevance of educational material is felt to be vital if children are to enjoy their studies and if they are to be encouraged to think for themselves instead of learning by rote.

—KEN WHITTINGHAM

## Second Five-Year Plan (1981-85)

(Estimates of government resources and uses during the plan, in millions of Omani rials)

Item	1981	1982	1983	1984	1985	Total 1981-85
Net oil revenue	1178	1207	1257	1300	1396	6378
Natural Gas	21	28	35	48	61	193
Other revenue	58	63	68	74	80	343
Grants	20	17	—	—	—	37
Total net revenue	1278	1315	1370	1450	1537	6947
<b>RECURRENT EXPENDITURES</b>						
Defense & National Security	499	537	585	615	707	2973
Civil Current	284	327	378	432	487	1916
Gov. Share of PDO's Expenditure	40	45	49	54	61	249
(A) Total Current Expenditure	823	899	1020	1101	1255	5138
<b>DEVELOPMENT EXPENDITURES</b>						
Civil Milestones projects	404	320	284	248	188	1444
Support to Private Sector	18	22	27	34	34	135
Financing for OOB	4	4	4	4	4	20
Financing for Housing Bank	4	4	4	4	4	20
Establishment & Financing of Agriculture & Fisheries Bank	1	2	4	5	7	19
Gov. Share of PDO's Expenditure	103	108	106	111	118	544
(B) Total Development Expenditure	834	458	429	406	325	2452
(C) Contribution to International and Regional Organizations and Emergency Fund	15	15	15	15	15	75
Total Expenditure (a+b+c)	1372	1462	1464	1522	1605	7365
Net Loans and Grants	87	87	94	72	68	418

## Sense of History Helps Build Modern State

(Continued from Page 95)

counterpart, the Organization of Arab Petroleum Exporting Countries. "We did not join OPEC," said Undersecretary for Foreign Affairs Yusuf al-Ahawi, "because it deviated from its original technical role and embarked on political matters. We do not feel we should get ourselves involved in an organization which could harm our interests." The policy follows the pattern of all of Oman's dealings with the outside world — to stand in solidarity with others where possible, but when it is not possible to stand alone.

in the south went on stream, the future looked grim for Oman's plans, but no one gave up hope.

### Personal Endeavor

The lack of surplus wealth has not made Omanis envious of their richer neighbors. On the contrary, they seem for the most part relieved that, instead of the temptation of a life of ease and luxury, they have the chance to develop the country through their own efforts and gain wealth through personal endeavor rather than government gift.

There is no stigma in Oman attached to a lifestyle that involves hard work. In government offices and commercial establishments,

## Tourism: Visiting Still a Privilege

(Continued from Page 95)

should also like to put together a Gulf tour which would take the tourist via Oman to East Africa or perhaps Southeast Asia.

"Thirdly, we hope to attract special interest groups from other parts of the world: those interested in history or archaeology; botany, animal and bird life; traditions and culture; and water sports. The Ministry of Commerce and Industry has already sponsored groups of travel agents and tour operators to show them what Oman can offer. Only recently, we received a request from a British adventure company who wanted to organize a camping and climbing tour. They wanted to travel via Sur, Wakhira Sands, the Empty Quarter and Jebel Akhdar, returning via Rustaq over three weeks."



Camel race at Seeb during National Day celebrations.

### Fascinating Country

Oman is a fascinating country with something for nearly everyone. The sultanate is different geographically from most other Middle Eastern countries, and has two different climates. The best time to visit the capital area of Muscat, with its stark, imposing mountains, and the north is between November and April, when the temperature rarely falls below 18 degrees Celsius.

During the hot summer months, Salalah, capital of the southern Dhofar province, makes a cooler, yet tropical alternative. Between June and August, it receives the end of the monsoons, and everything bursts into color toward the end of August. Many Omanis have never traveled to the south, and foreigners need a permit for the 85-minute daily Gulf Air government flight.

Things of historical interest appear concentrated in the north. Many civilizations have occupied Omani soil, and the architecture bears witness — traditional Arab, Portuguese and very tasteful modern, plus Persian, Indian and African can be found in Muscat itself. The projects of the Ministry of National Heritage and Culture have included the restoration of forts in Jibrin, Bidbid and Nirwa and the transformation of the old house of Sayyid Nader, a famous Omani leader, into a museum. In addition, the Ministry sponsored the so-called Sindbad Voyage, in which a replica of an ancient trading dhow was built and is currently on its way to China, following in the footsteps of Sindbad the Sailor.

### Fortified Palaces

Until a few years ago, it was not possible to travel further than about 40 kilometers from Seeb. Today, most areas can be visited. Special permits are normally necessary to visit these splendid 19th-century fortified palaces — particularly the most magnificent, at Nizwa, which is also famous for its silverware.

Relatively few people have the opportunity of visiting Salalah.

Here, on the fabled coast of the Arabian Sea, once the domain of the Queen of Sheba, is the world's last great resort. It is a lush oasis of haunting beauty, its palm-studded shore set against the dramatic backdrop of the Jebel Qara mountain range. It is a place that rarely sees a winter. You can walk for hours on the soft, sandy beaches; splash into a warm morning surf that is crystal clear; or simply watch the fishermen as they haul in their catch while the sun is still high. Fresh catch is the specialty of the area and is reasonably priced.

### High Occupancy

Near Khor Balaed are the remains of the ancient city of Mansura, which probably lie over the city of Zafar (Dhofar), devastated in 618. The city is being excavated by a team of archaeologists. At Khor Salalah lagoon, on the western outskirts of Salalah on the Raysut road, a bird sanctuary has been established where flamingos and herons can be seen. About 46 kilometers from the capital is the old fortress of Samharum, with inscriptions dating back to the first century B.C. There is also a Hindu temple, overlooking the tidal creek of Khor Rawi — probably the ancient frankincense port of Moscha. This could also be the place called Abyssopolis by Ptolemy, because of a nearby abyss.

Oman is one of the few Gulf countries where there has never been a problem in finding hotel accommodation. But, with the recent announcement of the Second Five-Year Development Plan, there could be a sudden rush of business interest that would be hard to contain within the existing hotels.

Already last year, hotel managers were predicting 90-percent occupancy for 1980 and a 15-percent increase for 1981. With the opening of only one new hotel in the capital area, it would seem that this is hardly enough to accommodate a continual flow of visitors, which numbered 400,000 in 1979 alone. But the government is determined not to develop an overabundance of rooms.

The most luxurious hotel is undoubtedly the 308-room Muscat Inter-Continental, situated on 72 acres of beach front at Qurum. As one would expect, the range of services is extensive, from normal business services to car rentals, airline desks, barber, bank and shops. The hotel has a number of bars, a first-class restaurant and the best nightclub in town.

The older, 120-room Gulf Hotel is further along the coast and 15 kilometers from the airport off the Seeb Road, just beside the new township of Medinat Qaboos. Opened about five years ago, it keeps improving its facilities, which include a pub and cocktail bar, coffee shop and excellent restaurant, and a variety of sports from tennis, squash and badminton to billiards, table tennis and darts. There is also a swimming pool, and the hotel overlooks a beautiful sandy, unspoiled private beach.

The 160-room Al Falaj is ideally located in the center of the business and shopping area. Among the facilities available within the complex are a French, Chinese and international restaurant, coffee shop, nightclub and discotheque, car rental, banking facilities, a barber, and tennis and squash courts.

Of the first-class hotels, the Ruwi is much favored by British businessmen. Its 100 comfortable rooms are in the business district near the embassies. The more modest 45-room Mutrah has recently been refurbished and is also conveniently located in the commercial part of the capital and within walking distance of the main business houses, government departments and banks. There is also the Mina hotel located on the Corniche. A new 170-room hotel will open next year adjacent to the Exhibition Center at Seeb.

Currently, the only hotels of international standard in the interior are the 25-room Nizwa Motel at Nizwa, where the new Qaboos University is being built, and the splendid 120-room Holiday Inn in Salalah.

Penny A. Hopkinson is a freelance journalist who reports from Europe and the Middle East.

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- Oman Sheppooji Construction Co LLC
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14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25
14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25

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(Continued on Page 14)

12 Month Stock High Low Div. P/E 100s. High Low Close	12 Month Stock High Low Div. P/E 100s. High Low Close	12 Month Stock High Low Div. P/E 100s. High Low Close
14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25	14% AAR 1.25 1.25 1.25 1.25
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BUSINESS NEWS BRIEFS

Petro-Lewis to Buy Amer Oil, Gas Assets

DENVER — Petro-Lewis Corp. said Monday it would acquire substantially all of American Express' oil and gas assets for about \$77 million.

Dart & Kraft to Sell Glass Division

NORTHBROOK, Ill. — Dart & Kraft said Monday it will sell Thatcher Glass Manufacturing, a move that is expected to reduce its 1981 earnings by about \$1.30 a share.

Statoil, Swedes to Study Gas Pipeline

OSLO — Statoil, the Norwegian state oil company, said Monday it has agreed with Vattenfall, a state-owned Swedish energy concern, to study the feasibility of constructing a pipeline to transport natural gas to the European continent.

Penn Central Acquisition of Colt in Doubt

NEW YORK — Penn Central said Monday that a preliminary count of votes indicates a "near tie" on a proposal to acquire Colt Industries.

Siemens to Cut Work Force by 5%

BONN — Declining short-term orders will force Siemens to reduce its work force by around 5 percent by the end of September, 1982, mainly through attrition, a company spokesman said Monday.

ANZ Announces 1-for-5 Bonus Stock Split

MELBOURNE — The Australia and New Zealand Banking Group said Monday it will make a one-for-five bonus stock issue following a 29 percent increase in 1980-81 earnings.

Housing Prices in U.S. Taking Biggest Downswing Since Depression

By Thomas L. Friedman New York Times Service

NEW YORK — After more than a decade of steady increases, home prices in the United States have begun to level off, and in many markets they have begun to decline.

Ohio State University professor who specializes in real estate. "They added rooms onto their homes instead of putting the money in deposit accounts. But if Reagan's policy stays on track, and inflation comes down faster than interest rates, the housing boom is over," he said.

earlier. But when sellers adjust for double-digit inflation and creative financing — whereby owners grant buyers a discount by providing financing three or four points below market interest rates — the real price has actually declined about 10 percent in the last year, the association said.

Sharp Division Seen In EEC Budget Talks

From Agency Dispatches BRUSSELS — Common Market Cabinet ministers disagreed sharply Monday on how to overhaul the 10-nation community's financing.



Lord Carrington, left, Britain's foreign secretary, talks with Luc de La Barre de Nanteuil, the French ambassador to the EEC, before an EEC foreign ministers meeting in Brussels.

Prices Fall On NYSE; Fed Drops Surcharge

NEW YORK — The deteriorating economy sent prices on the New York Stock Exchange sharply lower Monday as investors increasingly focused on the recession rather than on interest rates, which continued to decline.

After the markets closed, the Federal Reserve Board, which has been easing its tight rein on the money supply, dropped the 2 percent surcharge it has added to its discount rate for frequent borrowers.

The Dow Jones industrial average lost 10.85 to close at 845.03, its lowest since Sept. 28 when it hit 842.56. Declines led advances by a 3-to-1 margin and volume slipped to 43.74 million shares from the 45.55 million shares traded Friday.

There are definitely some very different views," said Alick Buchanan-Smith, Britain's deputy agriculture minister. "Everyone took very predictable positions and a lot of work is going to have to be done."

Foreign and agriculture ministers met separately to discuss proposals for reforming the Common Market's financial base in hopes of agreeing on a general outline in time for the European summit meeting Nov. 26-27 in London.

The proposals call for reducing agricultural spending and devising a formula that will adjust the contribution each of the 10 governments pays to the common budget.

Poullain Is Acquitted Of Fraud Charges

MUENSTER, West Germany — The North Rhine-Westphalia state finance court has acquitted former Westdeutsche Landesbank board chairman Ludwig Poullain of charges of fraud, breach of trust and bribery. The bank, which had dismissed Mr. Poullain in January, 1978, issued no comment.

Mr. Poullain was charged in May, 1979, with receiving bribes worth 1.1 million Deutsche marks while he was the bank's chairman. The court found no evidence that he acted illegally in receiving money from his friend Franz-Josef Schmidt in 1972 in return for Landesbank credits for firms associated with Mr. Schmidt.

LTV Drops Grumman Bid

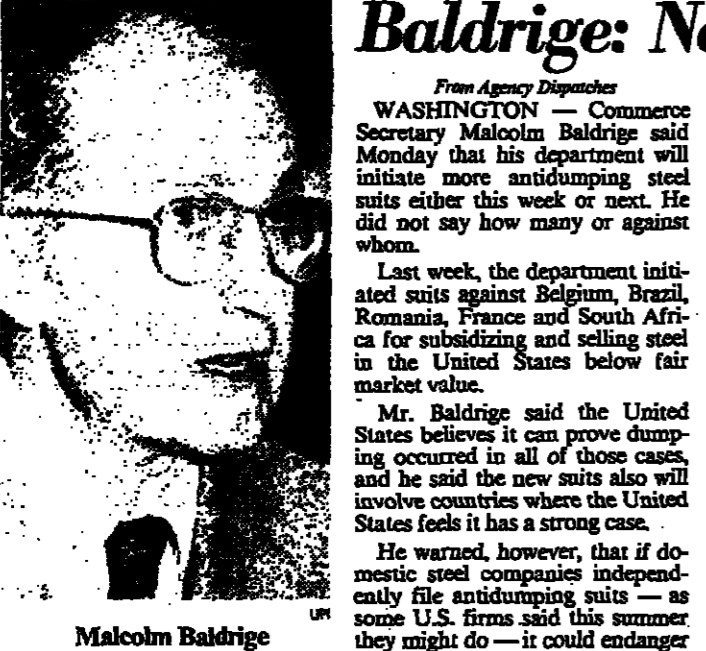
DALLAS — LTV Corp. announced Monday that it was terminating its \$450-million bid to acquire Grumman of Bethpage, N.Y., rather than wage a long and costly legal battle.

LTV said it had instructed its depository bank to "return tendered securities to their owners as soon as possible." Paul Thayer, LTV's chairman and chief executive officer, said that "the preliminary injunction set down by a federal district court and upheld by an appellate court requires a long and costly trial and, although we are confident of

an ultimate success, this alternative is not attractive to us."

"We waged a hard and honest effort to merge two good companies. It was an excellent opportunity for both LTV's Vaughn Corp. and Grumman and was in the best interest of shareholders, employees and customers of both companies," he said.

Last week, a U.S. appeals court in New York upheld a lower court injunction against the takeover, contending it would reduce competition in the military aircraft business. Both companies are major military aircraft builders.



Malcolm Baldrige

Baldrige: New Steel Suits Planned

WASHINGTON — Commerce Secretary Malcolm Baldrige said Monday that his department will initiate more antidumping steel suits either this week or next. He did not say how many or against whom.

Last week, the department initiated suits against Belgium, Brazil, Romania, France and South Africa for subsidizing and selling steel in the United States below fair market value.

Mr. Baldrige said the United States believes it can prove dumping occurred in all of those cases, and he said the new suits also will involve countries where the United States feels it has a strong case.

He warned, however, that if domestic steel companies independently file antidumping suits — as some U.S. firms said this summer they might do — it could endanger

the trigger-price mechanism by diverting staff in his department from enforcing the mechanism.

In Brussels, Common Market officials said European steel exporters should not be blamed for the U.S. industry's troubles.

A European Commission spokesman said that message was relayed to Americans attending technical consultations Friday in Geneva.

The message argued that some of the steel sold in the United States was specialized, and that employment losses in the United States were not the result of European exports, but of reorganization of the U.S. industry.

Mr. Baldrige also told reporters that he expects interest rates to decline another two percentage points before they bottom out.

He said he believes interest rates will begin to rise again when the economy starts to recover next year but not to the record levels experienced earlier. Mr. Baldrige said the economy will have a very difficult fourth quarter — contracting by at least 3 percent — and a slightly better but still negative first quarter next year before it starts improving in the second quarter.

He said that once the recovery starts it will be vigorous, primarily because of scheduled tax cuts.

U.K. Retail Sales Up 0.8%

LONDON — Britain's retail sales last month were 0.8 percent higher than in September and 1.6 percent higher than in October, 1980, according to provisional Trade Department figures released Monday.

Philips' Third-Quarter Profit Surges 79%

EINDHOVEN, The Netherlands — Philips reported Monday a 79-percent increase in third quarter earnings and said it expects sales volume growth of 4 to 5 percent this year, compared with a forecast of 5 percent three months ago and 7 percent growth in 1980.

In the first nine months of 1981, Philips said sales were almost 5 percent higher in volume and 18 percent higher in guilders terms from the first nine months of 1980.

The company also expects its work force to fall by 18,000 in 1981 compared with earlier forecasts of a 15,000-employee drop, according to management board member R.C. Spinoosa Cattela.

He told a press conference the work force declined by 14,000 in the first nine months but that this included attrition as well as staff-

cutting measures under the company's restructuring plan. The company employed 357,600 persons

3rd Quar. 1981 1980 Revenue 10,470 8,780 Profits 702 523 Per Share 0.28 0.23

9 months 1981 1980 Revenue 30,120 25,590 Profits 2,645 1,925 Per Share 1.03 0.75

Revenue and profit in millions of guilders; 1980 results restated.

worldwide at the end of September.

Mr. Spinoosa Cattela said the restructuring plan is well on course, adding that Philips is considering making further provision for restructuring.

Philips said the first positive effects of its restructuring program are starting to show up in results of consumer electronics.

Mr. Spinoosa Cattela said Philips' share of the European video-

DRAGADOS Y CONSTRUCCIONES S.A. U.S. \$27,465,250 SYNDICATED GUARANTEE FACILITY FOR THE FERTILIZER PLANT COMPLEX OF THE PHILIPPINE PHOSPHATE FERTILIZER CORPORATION IN THE MUNICIPALITY OF ISABEL, PROVINCE OF LETYE, REPUBLIC OF THE PHILIPPINES

CURRENCY RATES Interbank exchange rates for Nov. 16, 1981, excluding bank service charges. Table with columns for City, Currency, and Rate.

AKEMI "Service to the Individual" Table with columns for Currency, U.S.\$, and Rate.

CITICORP INTERNATIONAL GROUP PROVIDED BY CITIBANK, N.A. MANUFACTURERS HANOVER TRUST COMPANY BANK OF TOKYO INTERNATIONAL LIMITED GULF INTERNATIONAL BANK B.S.C. SAUDI INTERNATIONAL BANK AL-BANK AL-SAUDI AL-ALAMI LIMITED THE FIRST NATIONAL BANK OF BOSTON, MASSACHUSETTS THE HOKKAIDO TAKUSHOKU BANK, LIMITED CITICORP INTERNATIONAL BANK LIMITED AGENT

NYSE Nationwide Trading Closing Prices Nov. 16

Tables include the nationwide prices up to the closing on Wall Street.

Main table containing NYSE Nationwide Trading Closing Prices for Nov. 16, listing various stocks and their prices.

(Continued on Page 16)

Notes: Shares are unaffiliated... Also extra or extra... Ex-dividend or ex-rights... With warrants, etc.

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT. NOK 100.000.000 13% Notes of 1981, due 1986. Offering price: 100%. Den norske Creditbank. List of participating banks including Algemene Bank Nederland N.V., Christiania Bank og Kreditkasse, Deutsche Bank, etc.

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### AT&T Seeks Dismissal of Suit by MCI

**By Merrill Brown**  
*Washington Post Service*

WASHINGTON — Attorneys for American Telephone & Telegraph are pressing for dismissal of a \$3 billion antitrust suit brought here against the Bell System by MCI Communications.

The suit is similar to a case tried in Chicago last year that resulted in a record \$1.8 billion verdict against AT&T. But the suit here covers MCI's allegations against AT&T since 1975, while the Chicago case cut off at that point.

Little action has taken place in the second suit, in which MCI is seeking \$1 billion damages, tripled to \$3 billion under antitrust law. The complex discovery process, in which each company reviews the others' documents, has yet to begin, and trial is unlikely to start even next year. In both cases, MCI charges AT&T with illegally monopolizing the long distance telephone business.

But in oral arguments on dismissing the second case last week, AT&T attorney George Saunders said the point AT&T is raising about the second suit "goes to the heart of this country's judicial system." If this case is tried, there is "no reason [MCI] could do it again two years from now in another court."

Chester Kamin, an attorney for MCI, said that even the resolution of the Chicago suit, now before an appeals court, "could not in any way preclude" action in the Washington case. The judge did not say when he would rule on AT&T's motion to dismiss the suit.

The complex court battles between the two companies date to March 1974, when MCI filed its suit in Chicago. MCI decided the following year to seek damages only for the period ending with April 1975.

On April 30, 1979, MCI filed a second antitrust suit against AT&T and against the nation's independent telephone companies charging anticompetitive acts since May 1975.

Meanwhile, the suit in Chicago continued, and in June 1980, a jury awarded MCI \$1.8 billion in damages, considered the largest damage award in antitrust annals. AT&T appealed the decision, and both companies expect a decision by the end of the year.

### OPEC Unit Is Said To Plan Meeting

**The Associated Press**

VIENNA — The OPEC long-term oil strategy committee will meet Saturday and Sunday in Vienna, the Austrian press agency said Monday. OPEC information officials could not be reached for comment on the report.

The six-country committee, chaired by Saudi Arabia's oil minister, Sheikh Ahmed Zaki Yamani, has been attempting to work out supply and pricing strategies for the Organization of Petroleum Exporting Countries.

Participants in the Vienna meeting were expected to work on recommendations to be presented to OPEC oil ministers at their Dec. 9 conference in Abu Dhabi, the news agency said.

### U.S. Automakers Forced to Lower Expectations for 1982

**By John Koen**  
*AP-Dow Jones*

DETROIT — The big three U.S. automakers no longer are counting on a significant recovery in the U.S. auto market next year.

Disappointed in autumn car sales and pessimistic about the outlook for the national economy, the major automakers have slashed their 1982 forecasts. While only a few months ago they were predicting that sales could reach a healthy 10.5 million units next year, they are currently bracing for only modest improvement from the expected 8.7 million this year.

Sources said the companies' new internal projections put 1982 new-car sales at between 9 million and 9.6 million units. The figures include sales of both domestically built and imported autos.

The possibility of a third consecutive year of depressed industry sales means auto companies probably will need further cuts in operations to avoid more big deficits. There was some evidence of that last week — General Motors and Ford announced production cutbacks at U.S. operations.

Auto sales analysts have been re-evaluating their 1982 forecasts in light of surprisingly slow business volume at new-car show-

rooms in the past month or so. Sales in October plunged to the lowest levels since November, 1971.

The analysts got another jolt Friday, after the industry finished tabulating sales for the first 10 days of November. Total deliveries of U.S.-built cars dropped 13 percent in the period, to 141,243 units from 163,002 units a year earlier. Including imports, this sales pace was equal to about 8.1 million units annually.

"The sales rate at the beginning of this month is a good indication of where we are going to be for a while," one sales analyst said. "The industry is going to creep along at this rate until the economy starts to show some life."

Sources said Ford is budgeting for industry sales of only 9 million cars next year, making it the least optimistic of the big three. Only a month ago, Ford was projecting 1982 sales of 9.9 million units.

John Deaver, Ford's chief economist, declined to confirm the new forecast. While acknowledging that the company is reassessing the outlook for next year, he said his staff still has not arrived at a final number. But he said it is possible sales could go as low as 9 million in 1982. "All the economic news is negative," he said.

[Ford will close 12 of its assembly plants the week of Jan. 4 to balance inventories, Reuters quoted Automotive News as saying Monday. The closings will be a continuation of the 11-day Christmas holiday down-time.]

General Motors is slightly more cheery than Ford, predicting sales next year of at least 9.6 million new cars, sources close to the company said. The No. 1 automaker also has what it calls a "high track" forecast showing the best possible case for next year; that forecast puts 1982 sales at 10.1 million units.

GM Chairman Roger Smith has refused so far to follow the company's usual custom of announcing an official sales forecast each fall. He said high interest rates make the outlook too uncertain.

Chrysler already has revised its 1982 forecast twice this fall and currently is predicting that total sales next year will reach 9.5 million units. But sources said the company is considering lowering its forecast even further.

Previously, automakers hoped sales would begin a long uphill climb beginning this fall. But they now think sales could remain around current levels for 12 months before picking up significantly.

### Italian Named as Central Figure in Probe Of Suspected Inside Trading on St. Joe Bid

**By Tim Carrington**  
*AP-Dow Jones*

NEW YORK — An Italian investor with strong ties in the U.S. financial community is the focus of the insider trading probe involving St. Joe Minerals, according to sources close to the investigation.

The Securities and Exchange Commission charged last March that investors reaped illegal profits from St. Joe stock and options by buying on the inside knowledge that Jos. A. Seagram & Sons was planning a takeover bid.

Until recently, the probe has been stymied by the fortress-like secrecy of the Swiss bank that put through the trades.

Disclosures have come in the past week as a result of a federal judge's demand for information on the case. And Giuseppe B. Tome, recently associated with the U.S. securities firm of Baird Patrick & Co., has become the central figure in the probe, according to sources close to the investigation.

Banca della Svizzera Italiana, which put through the trades in St. Joe, was told 10 days ago that it could be barred from further investment in U.S. securities markets if it did not cooperate with the SEC investigation. Since then, the bank has obtained waivers from several customers enabling it to pass on information to the SEC without violating Swiss laws barring such disclosures. Attorneys representing the investors have contacted the SEC and indicated a willingness to cooperate.

Court papers show that Mr. Tome has been associated with Baird Patrick and Co. pour le Financement et l'Investissement, known as Finvest. The papers also

show that Mr. Tome is a friend and adviser of Edgar Bronfman, chairman of Seagram.

Mr. Tome has a history of high-ranking jobs with Wall Street firms. Prior to his association with Baird Patrick, he headed the international sales department of E.F. Hutton. Before that he held a comparable position with Bache Group.

The details of Mr. Tome's activities are not included in current court records. Profits from the St. Joe trades put through by the Swiss bank are estimated at more than \$2 million.

The development represents a breakthrough for international enforcement cases, SEC attorneys said. In the past, Swiss secrecy laws often insulated individuals from scrutiny by U.S. regulators.

Federal Judge Milton Pollack, who threatened to bar the Swiss bank from U.S. markets, is expected to issue an opinion soon outlining his views on the limits of Swiss secrecy when potential violations of U.S. securities law are involved.

### Home Prices in U.S. Decline

**(Continued from Page 13)**

In value by two or three percentage points above the inflation rate throughout the 1980s as the cost of mortgages returns to an affordable range and demand returns to normal, said Michael S. Carliner, a housing specialist at Regional Data Associates, an economic forecasting unit. He said the easing of mortgage rates, which now average 17 to 19 percent, should become widespread by the end of next year as weakness in the nation's economy forces down long-term interest charges.

But even if home prices stay ahead of the inflation rate, an owner's ability to take advantage of that spread will not be what it was. What made homes a great investment was the fact that 30-year fixed-rate mortgages, which did not recognize inflation, let people borrow money at what amounted to negative interest rates. They could borrow money from the bank at 8 percent when the inflation rate was 10 percent.

This enabled Americans in even the lowest-income brackets to make a substantial capital gain by

buying a house and watching their equity rise with inflation.

In 1979 alone, said Anthony Downs, housing expert for the Brookings Institution, net gains in homeowners' equity equaled \$124 billion, or 68 percent more than all other forms of family savings combined.

"Because of past home price escalation, future home buyers will have to pay higher initial prices in relation to their incomes. They will also have to pay higher nominal interest rates and increase the size of their monthly payments with inflation," he said.

The somewhat diminished attractiveness of home ownership as an investment in the 1980s could have a wide effect on families' finances and living habits.

A recent study of U.S. social values, by the market research concern of Yankelovich Skelly & White, showed that during the 1970s people came to regard their homes not just as a place to stay out of the rain but as "the focal point of their financial planning."

### Weidenbaum Gloomy on Jobs, But Predicts Turnaround

**From Agency Dispatches**

WASHINGTON — In his most pessimistic prediction yet, President Reagan's chief economic adviser has said that he expects the unemployment rate to climb "well over" the current 8 percent.

Murray L. Weidenbaum, chairman of the Council of Economic Advisors, conceded that partly as a result of the government's fight on inflation, unemployment might hit 9 percent, as high as it has been since World War II.

Unemployment rose to 8 percent in October, leaving 8.5 million people out of work. A rise to 9 percent would mean another 1 million unemployed.

And, in yet another indication of economic stagnation, the Federal Reserve Board said Monday that U.S. factories operated at a seasonally adjusted 76.9 percent in October, the lowest level since 76.7 percent in September, 1980.

But in an appearance Sunday on CBS-TV, Mr. Weidenbaum predicted a major economic turnaround in 1982.

"The second half of 1982 will not only be a period of expansion but one of the most vigorous periods of economic growth in recent years," he said.

Mr. Weidenbaum defended the president's strategy of budget cuts

and tax reductions, calling it "a very balanced program."

He said primary attention now will be given to reducing government spending, and he said no department will be excluded from scrutiny for possible reductions.

Mr. Weidenbaum predicted that the cuts would mean the average family would have a significantly lower tax burden in fiscal 1982.

But he said that earlier economic forecasts by the administration had been overly optimistic, and he indicated the administration may have to consider new tax increases

for 1983 and 1984 to slow swelling budget deficits.

Meanwhile, a University of Michigan study has concluded that consumer spending will continue at a sluggish pace in early 1982 and will show significant improvement only when employment improves.

The survey of consumer attitudes among 2,000 Americans between July and September also found that more families are trying to save money and that most Americans expect the inflation rate to ease, to about 6.9 percent next year.

Only 19 percent believed conditions are favorable for buying a house, down from 39 percent a year earlier, and only 30 percent thought it was a good time to buy a car, said Richard T. Curtin, who directed the survey for the university's Institute for Social Research.

Although interest rates are easing, "more favorable employment and real income trends are needed before sustained growth in housing and vehicle sales can be expected," said Mr. Curtin.

"An increased reluctance to use savings to incur new debt was recorded," Mr. Curtin said.

### COMPANY REPORTS

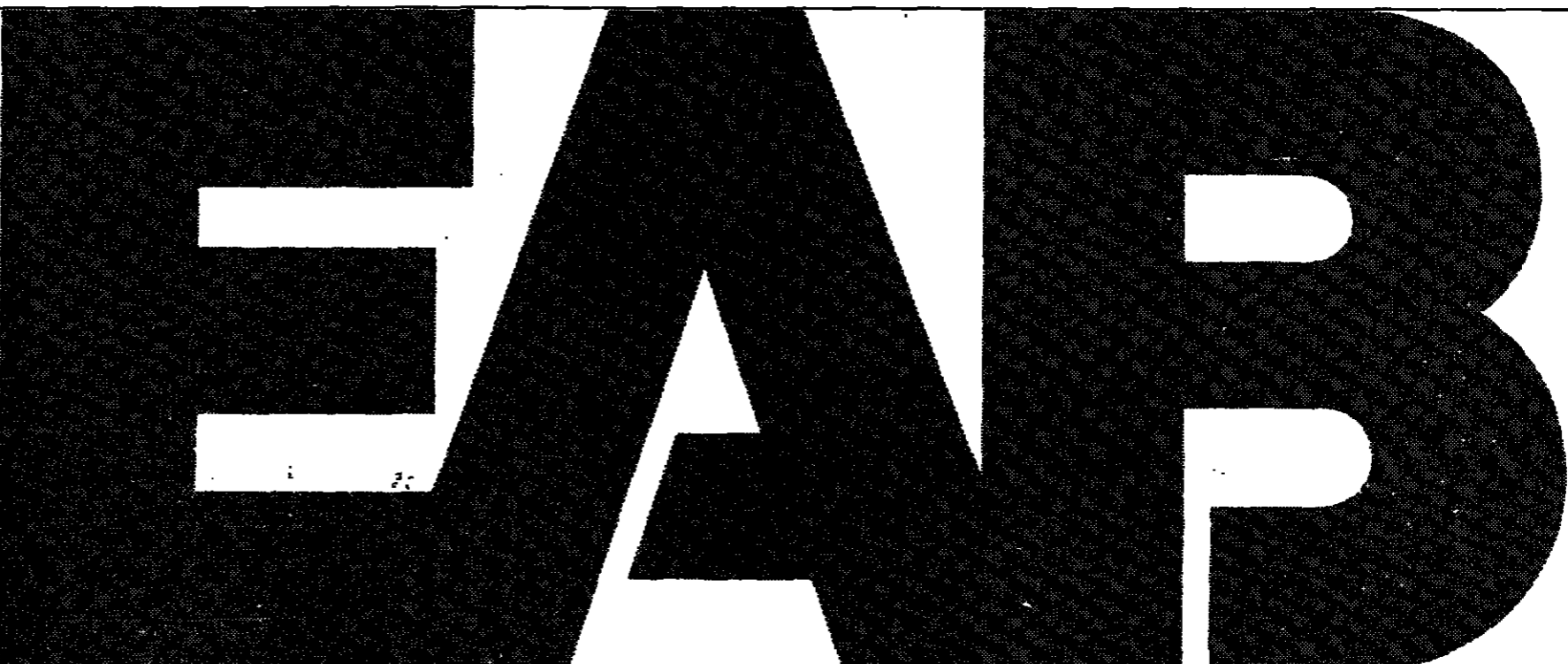
Revenues and profits, in millions, are in local currencies unless otherwise indicated.

Australia	
Australia & New Zealand Bank	
Year	1981
Revenue	2,030
Profits	175.39
Per Share	1.01

United States	
Beneficial*	
3rd Quar.	1981
Revenue	477.4
Profits	1.3
Per Share	0.94
9 months	
Revenue	1,224
Profits	31.2
Per Share	0.83

\* Per share after preferred dividends.



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**EAB**  
European American Bank

NYSE Nationwide Trading Closing Prices Nov. 16

Tables include the nationwide prices up to the closing on Wall Street.

Table of NYSE Nationwide Trading Closing Prices Nov. 16, listing various stocks and their prices.

U.S. COMMODITY PRICES

Table of U.S. Commodity Prices, including Chicago Futures, Soybean Meal, and various agricultural products.

Floating Rate Notes

Closing prices, Nov. 13, 1981

Table of Floating Rate Notes, listing various bank notes and their closing prices.

Eurocurrency Interest Rates

Nov. 16, 1981

Table of Eurocurrency Interest Rates, showing rates for various currencies and terms.

Selected Over-the-Counter

Table of Selected Over-the-Counter securities, including various stocks and bonds.

Chicago Futures

Nov. 16, 1981

Table of Chicago Futures, listing various commodity futures and their prices.

International Monetary Market

Nov. 16, 1981

Table of International Monetary Market, showing exchange rates and other financial data.

Cash Prices

Nov. 16, 1981

Table of Cash Prices, listing various commodities and their current market prices.

New York Futures

Nov. 16, 1981

Table of New York Futures, listing various futures contracts and their prices.

Dividends

Table of Dividends, listing companies and their dividend payments.

Monday's New Highs and Lows

Table of Monday's New Highs and Lows, showing price movements for various stocks.

Commodity Indexes

Table of Commodity Indexes, showing performance of various commodity baskets.

Market Summary

NYSE Most Active

Table of Market Summary, listing the most active stocks on the NYSE.

London Metals Market

Table of London Metals Market, showing prices for various metals.

Dow Jones Averages

Table of Dow Jones Averages, showing the performance of the Dow Jones Industrial Average.

European Gold Markets

Table of European Gold Markets, showing gold prices in various European cities.

Standard & Poors

Table of Standard & Poors, showing stock prices and market data.

London Commodities

Table of London Commodities, listing various commodity prices.

Paris Commodities

Table of Paris Commodities, listing various commodity prices.

Advertisement for Southern Bell Telephone and Telegraph Company, featuring a \$300,000,000 offering of 40-year 16% debentures due November 1, 2021. Lists various financial institutions and underwriters.

Advertisement for Gold Options and Wall Street Report, including contact information for various financial services.

Advertisement for WINE-AUCTION, featuring a collection of fine wines for sale.

Advertisement for Malaysian Aide Warns U.K. on Trade Attitude, discussing trade relations between Malaysia and the UK.



AMEX Nationwide Trading Closing Prices Nov. 16

Tables include the nationwide prices up to the closing on Wall Street.

Main table of AMEX Nationwide Trading Closing Prices Nov. 16, listing various stocks and their prices.

Table titled 'Amsterdam' listing stock prices in the Amsterdam market.

Table titled 'Brussels' listing stock prices in the Brussels market.

Table titled 'Frankfurt' listing stock prices in the Frankfurt market.

Table titled 'London' listing stock prices in the London market.

Table titled 'Hong Kong' listing stock prices in the Hong Kong market.

Table titled 'Other Stock Markets' listing closing prices in local currencies for various international markets.

Table titled 'Toronto Stocks' listing closing prices for various Toronto stocks.

Table titled 'Montreal Stocks' listing closing prices for various Montreal stocks.

Table titled 'Canadian Indexes' listing various Canadian market indexes.

Table titled 'Singapore' listing stock prices in the Singapore market.

Table titled 'Sydney' listing stock prices in the Sydney market.

Table titled 'Zurich' listing stock prices in the Zurich market.

An International Herald Tribune/Forex Research Conference on: How to Manage Foreign Exchange Risks Paris November 23-24

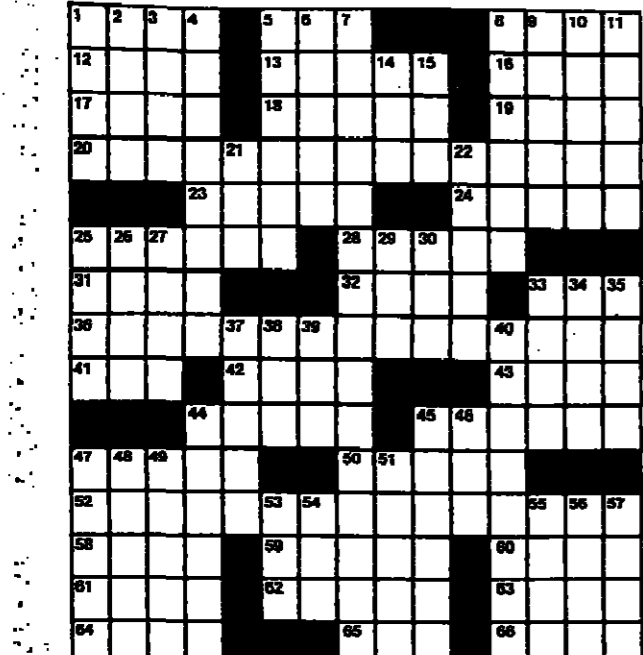
Conference details including speakers like Jacques Delors and Governor Henry Wallich, and topics on foreign exchange risks.

CONFERENCE REGISTRATION FORM with fields for name, address, and contact information.

HOTEL RESERVATION FORM with fields for reservation details and contact information.

CROSSWORD

By Eugene T. Maliska



ACROSS 1 Chagall (secretly) 8 Traipases 12 Peary's base in Greenland 13 Michelangelo masterpiece 16 Nimbus 17 "Tired, " Beatles song 18 Burden bearer 19 Man without a date 20 Moral of an Oz movie 23 Start of seahorse's year 24 Big buttes 25 Red or yellow conditions 28 Contract terms 31 Skirt style 32 Quaff for Hans 33 Prefix for mix or fix 36 Role for 26 Down 41 Upperclassman; Abbv. 42 Hindu queen 43 Vein on a certain button 45 Clad like Claudius

WEATHER

Table with weather forecasts for various cities. Columns include City, High, Low, and Forecast. Cities listed include Algiers, Amsterdam, Ankara, Athens, Auckland, Bangkok, Beirut, Belgrade, Berlin, Bombay, Buenos Aires, Cairo, Casablanca, Chicago, Copenhagen, Costa Del Sol, Damascus, Dublin, Edinburgh, Frankfurt, Geneva, Helsinki, Hong Kong, Houston, Istanbul, Jerusalem, Las Palmas, Lima, London, Los Angeles.

ADVERTISMENT INTERNATIONAL FUNDS November 16 1981. Lists various fund categories like Alliance Int'l Servs, Bank Julius Baer & Co Ltd, Bank of East Africa, etc., with associated fund names and values.

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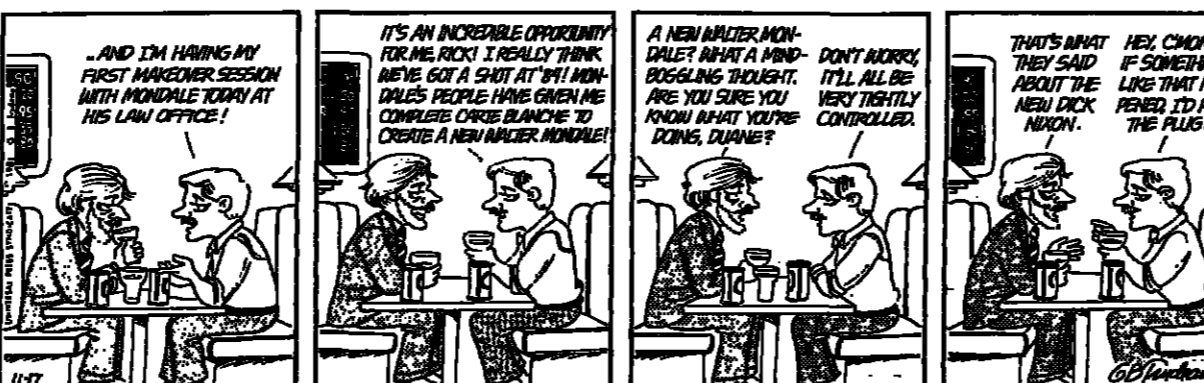
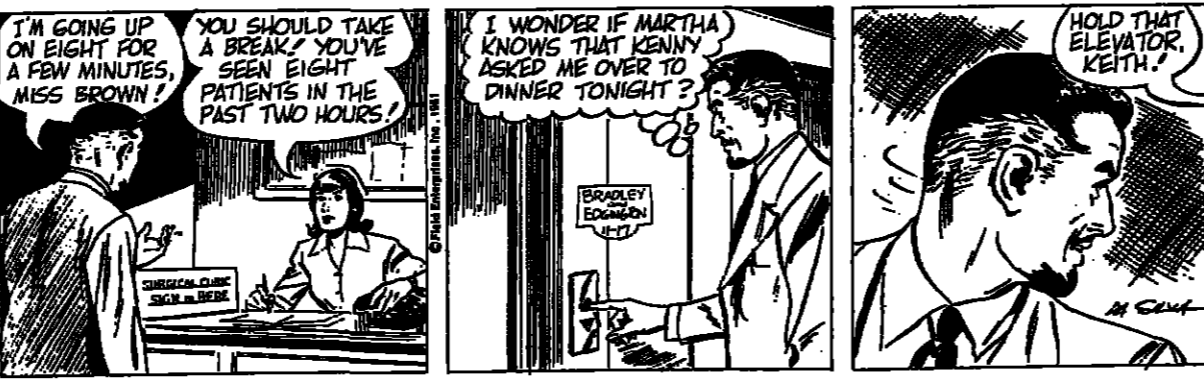
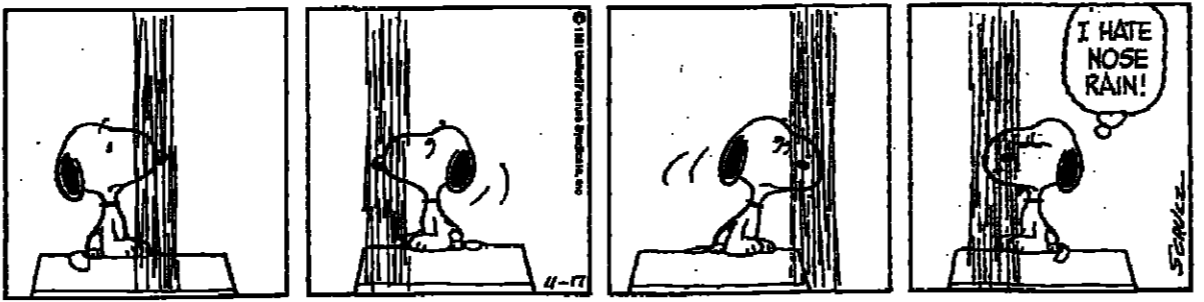
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A.N.D.Y.C.A.P.P.

W.I.Z.A.R.D.

R.E.X.M.O.R.G.A.N.

D.O.N.E.S.B.U.R.Y.



JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee. Includes a word search grid with circled letters and a list of words to be found: LAURR, CAULD, GERBID, TIPMER. Includes a cartoon illustration of a man and a woman.

DENNIS THE MENACE. Includes a cartoon illustration of Dennis the Menace and a block of text: 'YES DENNIS, I REMEMBER THE DAY YOU WERE BORN. I ALSO REMEMBER PEARL HARBOR, THE HINDENBURG EXPLOSION, THE CRASH ON WALL STREET...'

BOOKS

RED DRAGON

By Thomas Harris. 348 pp. \$13.95.

G. P. Putnam's Sons, 200 Madison Avenue, N.Y. 10016.

Reviewed by Stephen King.

"RED DRAGON," Thomas Harris' novel of a psychopath in the grip of the cannibalistic id-creature who lives inside him, is probably the best popular novel to be published in the United States since "The Godfather." As a veteran of the blurb-war, I know that this is perhaps as far as Harris' publisher's will read. You may see the "quote," as publishing people call the pithy little statement above, in ads for the book, cut down to a punchy minimum: "THE BEST POPULAR NOVEL TO BE PUBLISHED IN THE UNITED STATES SINCE 'THE GODFATHER!'" With my name or the newspaper's name or both beneath it.

Such a "quote" will probably sell a number of books. Serious critics, however, will cock an eyebrow, sigh, and move on to the new Barth or Barthelme. But "Red Dragon" raises an important — perhaps crucial — point about the role of popular literature in the artistic life of a country so well-educated that almost everyone reads something. Edmund Wilson located the mind-set of the "serious" critic (who only criticizes "serious" literature, much more than 40 years ago, when he wrote an essay titled "Who Cares Who Killed Roger Ackroyd?") The stance hasn't changed in the intervening years; even now someone may well be composing an essay which could be titled "Who Cares If Will Graham Catches the Red Dragon?"

Mere Thriller

The book will receive few if any "serious" reviews at all; space in book review supplements is notoriously limited, and why give column inches for a mere thriller? But it's a pity, because the best popular fiction can combine art with nearly devastating insights into the Way We Live Now... and if you don't believe it's true, read Will Graham. He ain't no Dickens, but he holds up amazingly well, and tells us things about Victorian England that are as entertaining as they are invaluable.

Psychotic Monster

But none of this negates the novel's raw, grisly power or its inescapable picture of a society which is on the verge of drowning in nonsensical violence; it does not negate Harris' delineation of Dolaryth, the psychotic "human monster" who uses his grandmother's false teeth to bite his victims. Like the best popular fiction, the book simply comes at you and smashes at you. Finally, let us thank and sober and afraid of a deeper level than simple "thrills" alone furnish.

Solution to Previous Puzzle

Grid puzzle solution with words: KEMP, BELEN, SPAR, ILLIA, ELEMI, TACE, WALLRUS, MOUSTACHE, INTENSE, CARTE, SIRA, CHIL, ACT, TISSUE, PAIR, ONE, ROBE, HOURS, GLASS, FIGURE, BONNE, ART, TETON, ESP, IVES, CHESTS, ADIES, MAA, POSEAN, ASCETIC, POMPADOUR, HARRID, ROMANIE, REDO, SPIRIT, RETINS, ESSIE.

BRIDGE

By Alan Truscott

A BASIC rule of bidding, being in a position of a beginner's course, is regularly fractured, for no good reason, by a very high percentage of relatively experienced players. It is this: Never rebid a five-card suit unless partner has indicated some support.

Even when the player who rebids a five-card suit is lucky enough to find a few trumps in the opposite hand, the odds may punish him for his inferior bidding. They did so on the disagreement deal.

Bridge hand diagram showing cards for North and South. North: ♠A43, ♥KJ875, ♦854, ♣Q43. South: ♠J1096, ♥Q432, ♦1092, ♣92. South (D): ♠K875, ♥Q, ♦KQJ76, ♣K85. Neither side was vulnerable. The bidding: South - West - North - East 10 - Pass - 10 - INT. 20 - Pass - Pass - Dbl. 3 - Pass - Pass - Pass.

Vertical text on the far right edge of the page, possibly bleed-through or a marginal note.



Art Buchwald

The Real Story Behind The Libyan Connection

WASHINGTON — As a reader of spy thrillers, I have been following the CIA-Libyan Connection with a great deal of interest. It appears there are these two ex-agents named Frank Terpil and Edward Wilson who have a contract with Col. Qadhafi to train terrorists, organize assassinations, hire American pilots and ex-Green Beret types, and procure all sorts of lethal weapons which will help Qadhafi knock off his enemies.



Buchwald

Now you may wonder why two Americans, who served their country, would go over to the other side to help a madman who runs one of the most heinous governments in the world. Well, if you read thrillers the way I do, then you'll probably buy the answer. Wilson and Terpil really still work for the CIA. But in order not to blow their cover, they keep devising ways to knock off U.S. diplomats.

"The Company" has known for a long time that the two men are up to, particularly when it comes to buying material in the United States to further the cause of world terrorism.

The two turncoats also have been permitted to recruit mercenaries in the United States while the U.S. has looked the other way, to convince Col. Qadhafi that they are on his side.

Unbeknownst to the CIA, Terpil and Wilson were photographed by the KGB in a compromising situation in a Tripoli hotel room, and the Soviets turned them around so they would work for them. The Russians don't trust Qadhafi any more than the Americans do, and threatened to release photographs of the two men to the National Enquirer unless they became double agents, which both men agreed to do.

What the KGB doesn't know is that the real Terpil and Wilson were spirited off to Israel, and replaced with two Israeli intelligence agents pretending to be Terpil and Wilson, but actually reporting on

Qadhafi's activities to Tel Aviv through a Swiss company that Mossad has set up.

The French found out about this and that's how they managed to get the Libyans to pull out of Chad. Terpil and Wilson advised Qadhafi to give up in Chad, because they said they couldn't supply him with any more planes from the United States.

British Intelligence, which is not sure what game the CIA is playing, has planted on Terpil a beautiful Italian countess who will do anything to avenge the murder of her father by Qadhafi.

Egyptian agents have offered Wilson \$1 million in an American tax-free, All-Savers account, if he will push Qadhafi out of an airplane at 35,000 feet.

In order to prove his loyalty to Qadhafi, Wilson reported the offer to the colonel, which has made Qadhafi believe more in Wilson and Terpil than he ever did.

The biggest problem Terpil and Wilson have at the moment is to keep Libya from building an atomic bomb in Pakistan.

The CIA has supplied the two men with blueprints of the Three Mile Island nuclear plant, and if the Libyans follow the plans, the bomb will blow up in their faces.

Now I know there are a few people out there who believe that this scenario is farfetched, but it's the only one that makes any sense.

Otherwise, you have to ask yourself why would the U.S. Central Intelligence Agency, which has terminated many of its enemies for far less, permit two of its ex-agents to organize a worldwide terrorist network and supply them with weapons and American pilots and ex-Green Berets.

I'm sticking with my theory until a better one comes along. If I were in Qadhafi's place, I would bury both Frank Terpil and Edward Wilson in hot sand up to their necks, and let red ants have a go at them until they tell the real reason why they're so anxious to help Libya become the terrorist capital of the world.

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Theater Group in France Has a Ball

By Joel Stratte-McClure

PARIS — There are few places as potentially creative, embarrassing or sweaty as a dance floor. Putting the two sexes together in a ballroom or near ballroom — for an afternoon of dancing in the 1930s, an outdoor victory celebration on cobblestones in the '40s or an aerobic hop in a dark room during the '50s — inevitably has romantic, comic or tragic consequences. The social presentation of any dance, with its contradictory elements of liberation and inhibition, produces the best and worst of human pliancy, gymnastics, conversation and relationships.



On with the dance: Scene from "Le Bal."

Almost everyone has memories or expectations associated with dancing in public, which is why "Le Bal" is attracting a diverse audience to a slightly uncomfortable warehouse-cum-theater in the Paris suburb of Antony. The nonverbal play emotionally portrays the different social, musical and dance styles that characterized the French ball from World War II to the late 1960s.

A red-haired woman in a tight leopard-patterned dress with matching purse timidly enters a large, austere room with four tables, nine chairs and three ashtrays. Seven other women, each attired as though it were the last waltz, follow her. They are nervous, self-assured, nose-in-the-air, severe, flirtatious, and, in some cases, forcefully sexual, scared to death. The men come next, representing the same mixture of social class, fashion and behavior.

The participants eye each other warily, prowl the dance floor, check their hair and make-up in an imaginary mirror. The music starts — appropriately one tune is "Strangers in the Night" — and the couples begin to get under way with air of acceptance, refusal and feigned boredom.

The afternoon ball is the kind of thing you see today in Paris on Rue de Lappe or at La Coupole, the type of dance that has attracted single men and women for decades. The partners, their expectations tempered by reality, express the spectrum of social and personal emotions as they thumbe, waltz, two-step, fox trot and tango. The music changes

pace, there is some disco. The older men from the younger men act like John Travolta, some women are disdainfully reluctant to dance, others do somersaults.

The scene shifts to the glare of air raid sirens as the cast, the women wearing white ankle socks, scramble for cover and huddle together. It is the war, the ball suspended. Then bells of liberation are an invitation to the street ball, a chorus line to accordion music and the Paris of Marlene Chevalier. The Americans arrive — gum-chewing, nylon-dispensing soldiers — and introduce swing, boogie woogie, jitterbug and bebop. The French females slide into their arms, the French men finally imitate them. The late 1940s is punctuated with the pop pop pa da of Dizzy Gillespie and Charlie Parker while "Le Bal" proceeds into the era of Saint-Germain-des-Près.

Not a word is spoken. Just the music, the dance and the human element. There is a multi-racial encounter between Arab immigrants and French conscripts during the Algerian war to the rhythm of the cha cha, Elvis Presley symbolizes rock 'n' roll, the dancers dressed in tight black leather with slicked-back hair. A workers' office party in the early 1960s, with an appearance by uninvited boogie, moves to the beat of "Yellow Polka Dot Bikini."

The inspiration for "Le Bal," a co-production of the Théâtre Firmin Gémier and the Théâtre du Campagnol, began when the latter troupe tried to interest inhabitants in the community of Châtigny-Malabry in the theater. To prepare for a local production, the 25 members of the Campagnol spent 350 hours interviewing local people.

"Le Bal" concludes with a disconcerting note, apocalyptic music blended with existentially isolated ballgoers. There is solitude instead of swing, death instead of dancing, despair instead of the slim hope of a successful foray to the ball. The audience, ready to dance, is abruptly informed that the music is over.

According to the cast of the Théâtre du Campagnol, this is the way they saw it when they interviewed old-timers, visited contemporary dance clubs and looked at young people dancing alone in discos. But despite their negative conclusion there is still enough verve at "Le Bal" to revive W.H. Auden's dictum: "Break down the embraces, dance while you can."

"Le Bal" is at the Théâtre Firmin Gémier, 6 Rue de la Trinité, Antony, until Dec. 13. Tel: 666-02-72.

the role of a physically deformed dancer-geer in the first sketch. "The ball was the action and we wanted to show the evolution of French life, the differences in human characters by depicting the different balls."

Expressive Panoramas The 70 roles in "Le Bal," from the shy Moslem at the Algerian party to the skeptical Frenchman after the Liberation, were originally improvisations by the cast based on interviews, as well as films and photos of the different eras. Director Jean-Claude Penchenat has sharpened these characterizations to produce an expressive panorama. Although only three members of the cast were professional dancers when they began conceiving the show in April, 1980, the move through the decades is as realistic as the actual party and its participants.

One of the best moments in the performance occurs during a 1950s rock 'n' roll party when two leathery dancers fight over a woman in slow motion to the tune of "Love Me Tender." Another highlight is a mock jazz orchestration which almost beckons the onlooker to the dance floor. But the hero of "Le Bal," which has just had its 100th performance, is the unchanging wooden dance floor and the permanently taped music.

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PEOPLE: Banker John Loeb Gives \$7.5 Million to Harvard

A banker who previously gave Harvard University \$3 million in funding 15 junior professorships at his alma mater with a \$7.5-million gift, believed to be the second-largest cash donation in the school's history, University officials say the donation by John Langsdorf Loeb, 79, a founder of the brokerage firm of Loeb Rhoades, will help keep gifted young people in academia. The gift brings to \$8.5 million Loeb's total contribution to the Harvard Campaign, a five-year, \$250-million capital drive. The other two-thirds of the \$3 million he contributed earlier helped lead to the creation of the Loeb Drama Center and the Frances L. Loeb Library at the Harvard Graduate School of Design. Loeb, a St. Louis native, is a 1924 graduate of Harvard. In 1931, he and his father, Carl, founded the Carl M. Loeb and Co. banking and brokerage firm in New York. The company now is known as Shearson American Express Co., and Loeb serves as honorary board chairman.

many, Spain, Austria and, by tape delay, in Italy, Britain and Scandinavia. Kurt Herbert Adler, general director of the San Francisco Opera, said the experiment was being viewed with great interest by opera throughout the world because performance will always have the strongest effect on the public, but I hope people will enjoy this."

Lucien Bodard won France's Goncourt prize for literature for his book "Anne-Marie," a reminiscence about his mother and his childhood in China. Bodard, 67, a former journalist for the newspaper France-Soir, began writing novels in the 1950s on China and Indochina. His father was French consul in China. He also has written nonfiction on Algeria and Ireland and "Le Massacre des Indiens," about Brazil. On the fifth round of voting, Bodard won by five votes to three for the Spanish-born author Michel de Casteille, who has lived in exile in France since 1953. Casteille then was awarded the No. 2 French literary prize, the Prix Renaudot, for his novel of suspicion and intrigue, "La Nuit du Décret" ("The Night of the Decree"). . . . Gunnar and Alys Myrdal, the Swedish author and his wife, were named to receive jointly India's annual Jawaharlal Nehru Award for International Understanding. The prize, worth about \$11,000 in cash, was announced in New Delhi by Vice President Mohammad Hidayatullah, chairman of the award jury. It will be presented to the Myrdals at a ceremony in New Delhi at a date to be arranged. . . . First lady Nancy Reagan received the 12th annual Scopus Award at a dinner in Beverly Hills, Calif., attended by some of Hollywood's biggest names. The award is given to American friends of the Hebrew University of Jerusalem. Abraham Harman, the university president, presented Mrs. Reagan with a plaque inscribed with the words of the German poet Goethe: "A noble man is led far by a woman's gentle words." About 1,000 guests — including Frank Sinatra, Johnny Carson and Gregory Peck — attended the ceremony. Guests attending the gala made donations to more than 100 full-time research scholarships for students from all ethnic and religious backgrounds to the university. The Scopus Award is named for the university's Mount Scopus campus. Previous recipients include John Wayne, Peck and Sinatra.

U.S. racial extremists is a mixture of the activities of homegrown "fascists" and aging Nazi war criminals, according to Nazi hunter Simon Wiesenthal. "In the United States we have documented 300 cases of Nazi war criminals, but it is only the tip of the iceberg. There are maybe 3,000 to 5,000; nobody really knows how many," Wiesenthal told an Atlanta University audience in Atlanta. Extremist papers "with names like Spotlight and Thunderbolt are filled with hatred," Wiesenthal said. "When you close your eyes after you read something in those papers, you think you are in Nazi Germany in 1942." The Thunderbolt is a publication of the National States Rights Party, a neo-Nazi group run by avowed white supremacist, J.B. Stoner of Marietta, Ga. Wiesenthal's documentation has helped track down many Nazis, including Adolf Eichmann.

Three thousand opera fans, turned away from the box office of San Francisco's opera house for a performance of "Aida," got to see and hear tenor Luciano Pavarotti sing anyway. The crowd jammed Civic Auditorium, about two blocks away from the War Memorial Opera House, paying \$5 to \$15 each to view the opera via closed circuit television on a 20-by-30-foot screen. The telecast also was viewed by audiences in West Ger-

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